

Low-Income Senior Freeze Exemption

■ What is the Low-Income Senior Freeze Exemption?

The Low-Income Senior Freeze Exemption allows you, as a qualified senior, to have your home's equalized assessed value (EAV) "frozen" at a base year value and prevent or limit any increase due to inflation. The base year generally is the year before the year you first qualify and apply for the exemption. For example, if you first qualify and apply in 2024, your property's EAV will be "frozen" at the 2023 EAV.

The amount of the exemption is the difference between your base year EAV and your current year EAV. For Cook County only, the amount of the exemption is the difference between your base year EAV and your current year EAV or \$2,000, whichever is greater. Freezing your property's EAV does not mean that your property taxes will not increase, however. Other factors also affect your tax bill. For example, your tax bill could increase if the tax rate, which is based on the amount of revenues taxing districts request, increases. Your EAV and tax bill may also increase if you add improvements to your home. However, if your home's EAV decreases in the future, you will benefit from any reduction.

■ Who is eligible?

The low-income senior freeze exemption qualifications for the 2024 tax year (for the property taxes you will pay in 2025), are listed below.

- You will be 65 or older during 2024.
- Your total household income in 2023 was \$65,000 or less.
- On January 1, 2023, **and** January 1, 2024, you
 - used the property as your principal place of residence,
 - owned the property, or had a legal or equitable interest in the property as evidenced by a written instrument, or had a leasehold interest in the property used as a single-family residence, and
 - were liable for the payment of property taxes.

You do **not** qualify for this exemption if your property is assessed under the mobile home privilege tax.

Surviving spouse – Even if you are not 65 or older during 2024, you are eligible for this exemption for 2024 (and possibly 2023) if your spouse died in 2024 and would have met all of the qualifications.

Residents in a health facility – Even if you did not use the property as your principal place of residence on January 1, 2024, you qualify for this exemption if you are a resident of a facility licensed under the Assisted Living and Shared Housing Act, Nursing Home Care Act, ID/DD (intellectually disabled/developmentally disabled) Community Care Act, or Specialized Mental Health Rehabilitation Act of 2013 and you meet all other requirements, have received this exemption previously, **and** your property is either unoccupied or is occupied by your spouse.

Residents of cooperatives – If you are a resident of a cooperative apartment building or cooperative life-care facility, you qualify for this exemption if you are liable for the payment of the property taxes on your residence and meet the other eligibility requirements.

■ What is a household?

A household includes you, your spouse, and all other persons who used your residence as a principal dwelling place on January 1, 2024.

■ What is included in household income?

Household income includes your income, your spouse's income, and the income of all individuals living in the household. Examples of income that must be included in your household income are listed below.

- alimony or maintenance received
- annuities and other pensions
- Black Lung benefits
- business income
- capital gains
- cash assistance from the Illinois Department of Human Services and other governmental cash public assistance

- cash winnings from such sources as raffles and lotteries
- Civil Service benefits
- damages awarded in a lawsuit for nonphysical injury or sickness (for example, age discrimination or injury to reputation)
- dividends
- farm income
- Illinois Income Tax refund (only if you received Form 1099-G)
- interest
- interest received on life insurance policies
- long term care insurance (federally taxable portion only)
- lump sum Social Security payments
- miscellaneous income, such as from rummage sales, recycling aluminum, or baby sitting
- military retirement pay based on age or length of service
- monthly insurance benefits
- pension and IRA benefits (federally taxable portion only)
- Railroad Retirement benefits (including Medicare deductions)
- rental income
- Social Security income (including Medicare deductions)
- Supplemental Security Income (SSI) benefits
- all unemployment compensation
- wages, salaries, and tips from work
- Workers' Compensation Act income
- Workers' Occupational Diseases Act income

■ What is not included in household income?

Some examples of income that are not included in household income are listed below.

- cash gifts
- child support payments
- COBRA subsidy payments
- damages awarded in a lawsuit for a physical personal injury or sickness
- Energy Assistance payments
- federal income tax refunds
- IRA's "rolled over" into other retirement accounts, unless "rolled over" into a Roth IRA
- lump sums from inheritances
- lump sums from insurance policies
- money borrowed against a life insurance policy or from any financial institution
- reverse mortgage payments
- spousal impoverishment payments
- stipends from Foster Parent and Foster Grandparent programs
- Veterans' benefits

■ What if I have a net operating loss or capital loss carryover from a previous year?

You cannot include any carryover of net operating loss or capital loss from a previous year. You can include only a net operating loss or capital loss that occurred in 2023.

■ Will my information remain confidential?

All information received from your application is confidential and may be used only for official purposes.

■ When must I file?

You must file for your Senior Freeze exemption **every year** and meet the qualifications for that year to continue to receive the exemption.

Note: The CCAO may require additional documentation (i.e., birth certificates, tax returns) to verify the information in this application.

■ What if I need additional assistance?

If you need further assistance, please make an appointment with our office at cookcountyassessor.com or call (312) 443-7550.



If you are applying for the **Low-Income Senior Freeze Exemption**, please use these instructions for the Income Verification section.

“Income” for this exemption means 2023 federal adjusted gross income, plus certain items subtracted from or not included in your federal adjusted gross income (320 ILCS 25/3.07). These include tax-exempt interest, dividends, annuities, net operating loss carryovers, capital loss carryovers, and Social Security benefits. Income also includes public assistance payments from a governmental agency, SSI, and certain taxes paid.

These Step-by-Step Instructions provide federal return line references and reporting statement references, whenever possible. **The amounts written on each line must include the 2023 income for you, your spouse, and all other individuals living in the household.**

Line 1 — Social Security and Supplemental Security Income (SSI) benefits

Write the total gross amount of any retirement, disability or survivor’s benefits (including Medicare deductions) the entire household received from the Social Security Administration. You must also include any Supplemental Security Income (SSI) the entire household received and any benefits to dependent children in the household. Do not include reimbursements under Medicare/ Medicaid for medical expenses.

Line 2 — Railroad Retirement benefits

Write the total amount of retirement, disability, or survivor’s benefits (including Medicare deductions) the entire household received under the Railroad Retirement Act (shown on Forms SSA-1099 and RRB-1099).

Line 3 — Civil Service benefits

Write the total amount of retirement, disability, or survivor’s benefits the entire household received under any Civil Service retirement plan (shown on Form 1099-R).

Line 4 — Annuities and other retirement income

Write the total amount of income the entire household received as an annuity from any annuity, endowment, life insurance contract, or similar contract or agreement (shown on

Form 1099-R). Include only the federally taxable portion of pensions, IRAs, and IRAs converted to Roth IRAs (shown on U.S. 1040, Line 4b). IRAs are not taxable when “rolled over,” unless “rolled over” into a Roth IRA.

Line 5 — Human Services and other governmental cash public assistance benefits

Write the total amount of Human Services and other governmental cash public assistance benefits the entire household received. If the first two digits of any member’s Human Services case number are the same as any of those in the following list, you must include the total amount of any of these benefits on Line 5.

- 01 aged
- 02 blind
- 03 disabled
- 04 and 06 temporary assistance to needy families (TANF)
- 07 general assistance

To determine the total amount of the household benefits, multiply the monthly amount each person received by 12. You must adjust figures accordingly if anyone did not receive 12 equal checks during this period. Food stamps and medical assistance benefits are not considered income and should not be added to total income.

Line 6 — Wages, salaries, and tips from work
Write the total amount of wages, salaries, and tips from work for every household member (shown in box 1 of Form W-2).

Line 7 — Interest and dividends received
Write the total amount of interest and dividends the entire household received from all sources, including any government sources (shown on Forms 1099-INT, 1099-OID, and 1099-DIV). You must include both taxable and nontaxable amounts.

Line 8 — Net rental, farm, and business income (or loss)
Write the total amount of net income or loss from rental, farm, business sources, etc., the entire household received, as allowed on U.S. 1040, Schedule 1, Lines 3, 5, and 6. You cannot use any net operating loss (NOL) carryover in figuring income.

Line 9 — Net capital gain or (loss)
Write the total amount of taxable capital gain or loss the entire household received in 2023, as allowed on U.S. 1040, Line 6 and U.S. 1040, Schedule 1, Line 7. You cannot use a net capital loss carryover in figuring income.

Line 10 — Other income or (loss)
Write the total amount of other income or loss not included in Lines 1 through 9, that is included in federal adjusted gross income, such as alimony received, unemployment compensation, taxes withheld from oil or gas well royalties. You cannot use any net operating loss (NOL) carryover in figuring income.

Line 11 — Add Lines 1 through 10.

Line 12 — Subtractions
You may subtract only the reported adjustments to income totaled on U.S. 1040, Schedule 1, Line 26. For example:

- IRA deduction
- Educator expenses
- Moving expenses for members of Armed Forces

- Alimony or maintenance paid activities deduction
- Health savings account deduction
- Student loan interest deduction
- Deductible part of self-employment tax
- Self-employed health insurance deduction
- Self-employed SEP, SIMPLE, and qualified plans
- Penalty on early withdrawal of savings

Please see the U.S. 1040, Schedule 1 for a total list of adjustments.

Line 13 — Total household income
Subtract Line 12 from Line 11. If this amount is greater than \$65,000, you do not qualify for this exemption.

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