



KANSAS

Homestead Claim Booklet

Forms and Instructions

2004

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Important Information

Homestead Income Limit Increased to \$26,300

The 2004 Legislature increased the maximum household income eligible for a Homestead Refund from \$25,000 to \$26,300.

Tips for Filing Your Homestead Claim

Spend less time completing the claim. Follow the easy steps on page 23 (inside back cover) to complete an accurate claim. Homestead claims are often delayed because of missing or incomplete information.

Reporting your income. When completing lines 4 through 9 of Form K-40H, be sure you enter the total received during 2004 for each category of income, not just the monthly amount. For example, if you receive \$842 Social Security per month (including the Medicare deduction), enter \$842 X 12 or \$10,104 on line 6 of Form K-40H, not just the \$842. Entering monthly rather than yearly amounts is the most common error made on Homestead claims.

To speed processing:

- ◆ Use only BLACK or DARK BLUE ink to complete the claim so the processing system can properly read each written letter and number.
- ◆ Do not send a photocopy of the claim.
- ◆ Please do not staple, tape or otherwise attach any of the documents. Place all forms/documents loose in the envelope.

Computer Software Applications. If you are using a computer software program to prepare Form K-40H, be sure it has been approved by the Kansas Department of Revenue. A list of approved software vendors is on our web site: www.ksrevenue.org. When completing Form K-40H for a taxpayer required to file a federal return, be sure to enter the Kansas adjusted gross income amount (Line 3 of Form K-40) on Line 4 of the Homestead claim, not the federal adjusted gross income amount (Line 1 of Form K-40).

Food Sales Tax Refund

If you qualify for a Homestead Refund, you may also qualify for the Food Sales Tax Refund. The Food Sales Tax Refund is for Kansas residents who meet qualifications similar to those for the Homestead Refund and whose calculated income (Kansas adjusted gross income plus certain interest and retirement benefits exempt from Kansas taxation) is \$26,900 or less. The food sales tax refund brackets for the 2004 tax year are shown below.

<u>If your income is:</u>	<u>Your refund is:</u>
\$ 0 - \$13,450	\$72 per exemption
\$ 13,451 - \$26,900	\$36 per exemption

To obtain this refund, complete the Food Sales Tax Refund worksheet in the Kansas Individual Income Tax Booklet and enter the amount of your refund on line 25 of Form K-40, Kansas Individual Income Tax/Food Sales Tax Refund form. This form and instructions are available from the Kansas Department of Revenue and other places of convenience listed on the back cover of this booklet.

Homestead Refund Advancement Program

This program provides eligible homeowners with the opportunity to apply a portion of their anticipated 2004 Homestead refund to help pay the first half of their property tax. A brief explanation of the program is on page 5. Use the information and worksheet on page 19 to understand how the refund process works with this option.

GENERAL INFORMATION

WHAT IS THE HOMESTEAD REFUND?

The Homestead Refund is a rebate of a portion of the property taxes paid on a Kansas resident's homestead. Your refund percentage is based on your total household income. If you own your home, the refund is a percentage of your general property tax. If you rent your home, 20% of the "rent paid for occupancy" is used as the property tax amount. The maximum refund is \$600.

WHAT IS A HOMESTEAD?

A homestead is the house, apartment, rented room, boarding house, mobile or manufactured home, or other dwelling (such as a nursing home, retirement home, or assisted living facility) subject to property tax that you own or rent and occupy as a residence.

If you moved during 2004, you may claim the general property tax or rent paid for the period of time you lived in each residence. Homeowners who rent part of their homestead or use a portion of it for business may claim only the general property tax paid for the part in which they live.

WHAT IS RENT PAID FOR OCCUPANCY?

Rent paid for occupancy is the amount of rent YOU paid during 2004 to occupy your homestead. The value of the furniture, appliances, utilities, or services furnished by your landlord must be deducted from the total rent you paid during the year. Renters must complete Schedule RNT to determine the amount of rent paid for occupancy. If you live in a nursing home or share living quarters with your landlord, follow the special instructions on the back of Schedule RNT.

WHO MAY QUALIFY?

The Homestead Refund Program is for homeowners and renters who were residents of Kansas all of 2004. As a Kansas resident the entire year, you are eligible if your total household income is \$26,300 or less and you:

- were born before January 1, 1949, **OR**
- were blind or totally and permanently disabled all of 2004, **OR**
- have a dependent child who lived with you the entire year who was born before January 1, 2004, and was under the age of 18 all of 2004.

WHAT IS A HOUSEHOLD?

A household is you, or you and your spouse who occupy a homestead, or you and one or more individuals not related as husband and wife who together occupy a homestead.

WHAT IS HOUSEHOLD INCOME?

Household income is generally all taxable and nontaxable income received by all household members during 2004. If a household member lived with you only part of the year, you must include the income he or she received during the months that individual lived with you.

Household income includes, but is not limited to:

- Taxable and nontaxable wages, salaries, and self-employment income;
- Earned income credit;
- Taxable and nontaxable interest and dividends;
- Social Security and Supplemental Security Income, (SSI) benefits (except disability payments);
- Railroad Retirement benefits;
- Veterans' benefits and all other pensions and annuities;
- Welfare and TAF (Temporary Assistance to Families) payments;
- Unemployment, worker's compensation and disability income;
- Alimony received;
- Business and farm income;
- Gain from business property sales, investment property sales, and any long-term capital gains included in federal adjusted gross income;
- Net rents and partnerships (Cannot be a negative number);
- Foster home care payments, senior companion stipends, and foster grandparent payments;
- School grants and scholarships (unless paid directly to the school);
- Gambling winnings, jury duty payments, and other miscellaneous income;
- ALL OTHER INCOME received during 2004 not specifically excluded (see below).

Net operating losses and net capital losses may not be used to reduce total household income. **DO NOT** subtract any net operating loss or net capital loss from the income amounts.

Excluded Income — DO NOT include these items as household income.

- Social Security disability payments
- Previous year's Homestead refund, Food Sales Tax or Income Tax refund
- Utility refunds
- Food stamps (Vision cards)
- Personal or student loans
- Lump sum settlements (such as those from an insurance policy)
- Gifts from nongovernmental sources
- Child support

- Income of a minor child or incapacitated person if he or she does not hold legal title to the homestead or is not a party to the rental agreement.

Although these types of income are not to be entered on lines 4 through 9 of Form K-40H, it is recommended that you enter the total amount(s) received during 2004 from these sources on the back of Form K-40H in the "Excluded Income" section. Furnishing this additional information may help to speed processing of your claim.

WHO MAY CLAIM A REFUND

Only one claim may be filed for each household. A husband and wife who occupy the same homestead will file one claim. Two or more individuals who together occupy the same household may only file one claim. A husband and wife who occupy separate households (such as one spouse living in a nursing home) may file separate claims and include only their individual income.

Homeowners - You must not owe any delinquent property taxes on your home. You must enclose a copy of your property tax statement with your claim.

Renters - The rental property must be on the tax rolls and subject to property tax. You may claim only that portion of the rent YOU pay. Rent paid for you from public funds (such as HUD) is not considered.

IMPORTANT: If the property you rent is not on the tax rolls, you do not qualify for a Homestead refund.

If a claimant is incapable of signing the claim, the claimant's legal guardian, conservator, or attorney-in-fact may file the claim. When filing on behalf of an eligible claimant, a copy of your legal authority is required. See "Signature" on page 20.

WHERE TO GET FORMS

A Homestead Claim Booklet is mailed to individuals who filed a 2003 claim and whose address has not changed. If you have moved or if you have not filed before, you may pick up the Homestead Claim Booklet at our Topeka Assistance Center, driver's license stations, your city or county clerk's office, banks, libraries, post offices, or other places where state tax forms are available. The forms and booklet are also available from our web site at www.ksrevenue.org.

If you are unable to obtain forms locally, call our forms line at (785) 296-4937, and we will mail them to you. Please allow 10 days for delivery.

WHEN AND WHERE TO FILE

File your claim after December 31, 2004, but **NO LATER THAN** April 15, 2005. If you do not have the pre-addressed envelope, mail your claim to:

Homestead Claim
Kansas Department of Revenue
915 SW Harrison St.
Topeka, KS 66699-2000

Late Claims – The department may accept a claim filed after the due date whenever good cause exists, provided that the claim is filed within four years of the original due date. Examples of good cause include, but are not limited to, absence of the claimant from the state or country or temporary illness of the claimant at the time the claim was due. When filing a late claim, enclose an explanation with documentation as to why it is late. If your homestead claim will be late because you have an extension of time to file your income tax return, enclose a copy of the income tax extension with your homestead claim.

DECEASED CLAIMANTS

When the person who has been the claimant for a household dies, another member of the household who qualifies as a claimant should become the claimant and file Form K-40H for the household. A separate claim on behalf of the decedent is not necessary.



Husband and wife are both over 65, and their household income is less than \$26,300. The husband died during 2004. Since the widow also qualifies because of age and income to be the claimant, she will file Form K-40H as the claimant, reporting her income and that of her husband through the date of his death.



Two sisters, both over 58, share a home, and their household income is \$24,000. If the sister who had been the claimant dies in 2005 prior to filing Form K-40H, the other sister (who is also eligible) will file as the claimant, reporting the total of both incomes for the entire year of 2004.

If another member of the decedent's household (such as a surviving spouse) does NOT qualify to be the claimant, or when there are no other members of a decedent's household, a claim may be filed for a deceased claimant if the decedent:

- A) was a resident of Kansas all of 2004 but died before filing a claim (died on or after January 1, 2005),
- OR**
- B) died during 2004 and was a Kansas resident the entire portion of the year he or she was alive.

A surviving spouse, executor or administrator, or any other heir at law may claim the homestead refund due a decedent.

IMPORTANT: Mark an "X" in the decedent box located to the right of the "Last Name" area on the front of Form K-40H, and enter the date of death in the space provided.

How To Compute a Decedent's Refund

If filing on behalf of a claimant who died during 2004, the refund amount (line 15 of Form K-40H) is prorated based on the decedent's date of death. If the claimant was a homeowner, the taxes (line 11 of Form K-40H) are also prorated based on the decedent's date of death.

Use the steps and worksheet on the following page to compute a Homestead refund on behalf of a decedent who died during 2004.

Step 1 Complete Form K-40H through line 10 using the line-by-line instructions that begin on page 15.

Step 2 Compute the Allowable Property Tax and/or Rent paid by decedent to date of death.

Owners: The allowable property tax is the percentage of taxes accrued to the decedent's date of death. Multiply the total 2004 property taxes by the percentage from the table below for the month of the decedent's death. Enter the result on line 11, Form K-40H. For example, if the claimant died in August 2004, and the 2004 taxes were \$635, the property tax paid to date of death to enter on line 11 is 8/12ths (.667) of \$635, or \$425 (\$635 X .667 = \$425).

Renters: Enter on line 2 of Schedule RNT only the rent paid by the claimant through the date of his or her death. Enter the total of all line 5 amounts from Schedule(s) RNT on line 12, Form K-40H.


Step 3 Complete line 13 (total property taxes and rent) and line 14 (refund percentage) of Form K-40H.

Step 4 Multiply line 13, Form K-40H by line 14 of Form K-40H, and enter the result here: _____.

Step 5 Enter the percentage from table below for the month of the decedent's death: _____.

Step 6 Multiply the answer from Step 4 by the percentage in Step 5 (same percentage used in Step 2 above for homeowners): _____.
Enter the result here and on line 15, Form K-40H.


MONTH	PERCENTAGE	MONTH	PERCENTAGE	MONTH	PERCENTAGE
January	.083	May	.417	September	.750
February	.167	June	.500	October	.833
March	.250	July	.583	November	.917
April	.333	August	.667	December	1.000

 The claimant died August 25. Income through August was \$14,500. Total 2004 taxes were \$635; the allowable amount entered on line 11 (and line 13) is \$425. The homestead refund percentage is 44%. Calculate Line 15 as follows:

$$\begin{aligned} \$425 \times 44\% (.44) &= \$187.00 \\ \$187 \times .667 &= \$124.73 \end{aligned}$$

Round this amount to \$125, and enter on line 15 of Form K-40H.

Required Enclosures for Decedent Claims

 You must enclose a copy of the death certificate, funeral home notice, or obituary statement with a decedent's claim, **AND one of the following:**

- If the estate is being probated, a copy of the letters of administration.
- If the estate is not being probated, a completed Form RF-9, "Decedent Refund Claim," on page 22.

Signature on a Decedent's Claim: A decedent's claim should be signed by the surviving spouse, executor/executrix, or other authorized person.

AMENDING A CLAIM

If after mailing your claim you find that you have made an error that will affect the amount of your refund, file an amended Form K-40H. Wait until you have received your refund from the first claim before filing the amended claim. To file an amended claim, obtain another copy of Form K-40H, and mark the "amended" box located to the right of the county abbreviation. Enter the information on the claim as it should have been, and enclose an explanation of the changes. If an additional refund is due you will receive it in 10 to 12 weeks.

If the refund shown on the amended claim is LESS than the refund you received from the original claim, enclose a check or money order for the difference with your amended claim. Make your check payable to "Kansas Department of Revenue." Write "Homestead Repayment — Amended Claim" and your Social Security number on the face of your payment.

HOMESTEAD REFUND ADVANCEMENT PROGRAM (Homeowners Only)

This optional program allows eligible homeowners who received a 2003 Homestead refund to use their anticipated 2004 Homestead refund (advancement) to pay up to the first half of their 2004 property taxes. The amount of the advancement is based on the 2003 Homestead refund.

A letter showing the advancement amount available and Form ELG to complete with the county clerk are sent to eligible homeowners (those who have no outstanding tax liability to the department) in November of each year. **If the claimant for whom the letter and Form ELG are issued is deceased, Form ELG cannot be used.** For more information about using this option for the first half of your property taxes, contact your county clerk or the Kansas Department of Revenue.

If you used this program to pay all or part of your first half 2004 property taxes, use the information and worksheet on page 19 to compute the remainder of the refund you will receive from the department once you have filed your Form K-40H, and if applicable, your Form K-40 for tax year 2004.

FRAUDULENT CLAIMS

The Homestead Refund Program is designed to provide tax relief only to those that qualify. Fraudulent refund claims filed will be denied and may result in criminal prosecution.

HOMESTEAD REFUND PERCENTAGE TABLE — Line 14

If the amount on line 10, Form K-40H is between:	Enter this percentage on line 14, Form K-40H:
\$ 0 and \$ 3,000	100%
\$ 3,001 and \$ 4,000	88%
\$ 4,001 and \$ 5,000	84%
\$ 5,001 and \$ 6,000	80%
\$ 6,001 and \$ 7,000	76%
\$ 7,001 and \$ 8,000	72%
\$ 8,001 and \$ 9,000	68%
\$ 9,001 and \$ 10,000	64%
\$10,001 and \$ 11,000	60%
\$11,001 and \$ 12,000	56%
\$12,001 and \$ 13,000	52%
\$13,001 and \$ 14,000	48%
\$14,001 and \$ 15,000	44%
\$15,001 and \$ 16,000	40%
\$16,001 and \$ 17,000	36%
\$17,001 and \$ 18,000	32%
\$18,001 and \$ 19,000	28%
\$19,001 and \$ 20,000	24%
\$20,001 and \$ 21,000	20%
\$21,001 and \$ 22,000	16%
\$22,001 and \$ 23,000	12%
\$23,001 and \$ 24,000	8%
\$24,001 and \$26,300	4%
\$26,301 and over	0%

FORM K-40H LINE-BY-LINE INSTRUCTIONS

COMPLETING FORM K-40H

The large purple boxes on Form K-40H allow us to process your refund claim faster and with fewer errors. For this system to work at its best, it is important to follow the instructions below when completing this form.

- Use only **black** or **dark blue** ink.
- Send the original (purple) K-40H claim form. Do not send a photocopy.
- Stay within the purple lines of each box. Do not use dollar signs, lines, dashes, or other symbols in the boxes or in writing your numbers. For example:

Do: 70 **Do Not:** 7Ø

- Print only one number or letter in each box. For example, if the amount is \$4,439.50, it should be entered as:

, .

Important: All entries must be rounded. Amounts less than \$.50 cents should be rounded down. Round amounts from \$.50 to \$.99 to the next higher dollar.

- If a line does not apply to you, leave it blank. Do not put zeros, dashes, lines, or other symbols in or through the boxes.
- **Software Users:** If you are using an approved computer software program to prepare your claim, send the original K-40H printed on your printer. Do not send a photocopy. (The claims prepared with a software program have a different format than the K-40H forms with the purple printing.)

CLAIMANT INFORMATION

Social Security Number

You must enter **your** Social Security number in the boxes above the name and address. (Do Not enter the Social Security number under which you are receiving benefits if not your own.) In order to improve the confidentiality of tax information, your Social Security number is not printed on the pre-addressed label.

Name Boxes

Using **ALL CAPITAL** letters, enter the first four letters of your last name in the boxes to the right of your Social Security number. If your last name has less than four letters, leave the remaining box(es) empty as illustrated here.

Label

If you have a pre-addressed label (located on the back cover of this booklet) and the name and address information is correct, place it on your Form K-40H in the space provided **after** you have completed your claim.

Name and Address

If you do not have a pre-addressed label, or if the information on the label is incorrect, PRINT or TYPE your name, address, and county of residence in the spaces provided at the top of Form K-40H. DO NOT use a label that is incorrect.

Enter your complete street address. Do not use just your P. O. Box mailing address; the physical location (number and street) of your residence must also be included. Be sure also to include any additional address information, such as an apartment number or lot number to assure delivery of your refund or any correspondence.

Name or Address Change Box

If you filed a Homestead claim last year and your name or address has changed, please put an "X" in the box to the right of the address. This will help us update our records and assure timely response to your claim.

Telephone Number

Enter the area code and telephone number where you can be reached during our office hours. Should a problem arise while processing your claim, it is very helpful if we can contact you by phone. The number will be kept confidential.

Deceased Claimant

If you are filing on behalf of a claimant who is deceased, mark an "X" in the box, and enter the date of the claimant's death. You must use the special instructions for "Deceased Claimants" beginning on page 4 to figure the decedent's refund. Be sure to enclose the additional documents required.

Amended Claim

If this is an amended (corrected) claim, mark an "X" in the box. The instructions for amending a homestead claim are on page 5.

QUALIFICATIONS — Lines 1 through 3

IMPORTANT: To qualify, you must first have been a resident of Kansas all of 2004.

If you were a Kansas resident all year, complete **ONLY** the qualification line that applies to your situation. For example, if you are aged 60 and also blind, enter your birthdate in the boxes for line 1 and skip lines 2 and 3.

Line 1 — Age Qualification

If you were born before January 1, 1949, enter the month, day and year of your birth in the spaces provided. Be sure to enter a preceding "0" for months and days with only one digit. For example, September 1, 1922 should be entered like this:

09 01 1922

Line 2 — Disabled or Blind Qualification

If you are blind or totally and permanently disabled, enter the month, day and year you became blind or disabled.



IMPORTANT: You must enclose documentation of permanent disability or blindness with each year's Homestead claim. Enclose with Form K-40H either:

- a copy of your Social Security statement showing your disability began prior to 2004, **OR**
- Schedule DIS (page 21) completed by your doctor.

Line 3 — Dependent Child Qualification

If you have at least one dependent child, enter the child's name on this line and the date of birth (must be prior to January 1, 2004) in the boxes provided. **IMPORTANT:** To be considered a dependent child, the child must have resided solely with the claimant the entire calendar year, **AND** be under 18 all of 2004, **AND** is or may be claimed as a dependent by the claimant for income tax purposes.



If you do not meet one of these three qualifications, you are not eligible to claim a Homestead refund.

HOUSEHOLD INCOME — Lines 4 through 10

Enter on lines 4 through 8 the total annual income amounts received by you and your spouse during 2004. The income of ALL other persons who lived with you at any time during 2004 will be entered on line 9, "All Other Income." If a minor child or incapacitated person holds legal title to the property or is on the rental agreement, the income (wages, child support, etc.) will also be entered on line 9.

IMPORTANT: If you filed a 2004 Kansas Income Tax Return, Form K-40, enter your Kansas Adjusted Gross Income (adding back any losses) in the space provided on line 4. Next, enter on lines 5 through 8 only the income amounts NOT included in your Kansas Adjusted Gross Income. DO NOT enter any income amount twice.

Line 4 — 2004 Wages OR Kansas Adjusted Gross Income AND Federal Earned Income Credit

2004 Wages: If you are not required to file an income tax return, enter in the first space the total of all wages, salaries,

commissions, fees, bonuses, and tips received by you and your spouse during 2004.

OR

2004 Kansas Adjusted Gross Income: If you file a Kansas income tax return, enter in the first space your Kansas Adjusted Gross Income from Line 3 of your Form K-40, adding back any net operating losses or net capital losses.

AND

Federal Earned Income Credit: Enter in the second space any federal Earned Income Credit (EIC) received during 2004. This is generally the amount shown on your 2003 federal income tax return, but could also include an EIC for a prior year that was received in 2004.

Add the amounts for wages **OR** Kansas Adjusted Gross Income **AND** Federal Earned Income Credit together and enter the total on line 4.

To complete lines 5 through 8. If you have entered your Kansas Adjusted Gross Income on line 4 of Form K-40H, enter on lines 5 through 8 only the income amount(s) that are NOT already included in your Kansas Adjusted Gross Income.

Line 5 — All Taxable Income Other Than Wages and Pensions Not Already Entered on Line 4.

Enter on line 5 all taxable interest and dividend income, unemployment, self-employment income, business or farm income, alimony received, rental or partnership income, the gain from business or investment property sales, and any long-term capital gains that were included in federal adjusted gross income. A net operating loss or net capital loss may not be used to reduce household income. If you have nontaxable interest or dividends, enter them on line 9, "All Other Income."

If you used a portion of your homestead for rental or business income, enter the net rental or business income on line 5. **NOTE:** You must also complete the worksheet on page 18 to determine the property tax amount to enter on line 11.

Line 6 — Social Security, SSI, and Railroad Retirement (except Social Security Disability benefits)

Enter on line 6 the total Social Security, Supplemental Security Income (SSI), and Railroad Retirement benefits received by you and your spouse. Include the amounts deducted for Medicare, any Social Security death benefits, and any SSI payments not shown on the annual Social Security benefit statement. Don't include any Social Security or Supplemental Security Income (SSI) disability payments. Enter the annual amount of any Social Security disability benefits in the "Excluded Income" section on the back of Form K-40H. To verify that the Social Security income is excludable, you must enclose a copy of your benefit statement or award letter with your claim.

If you do not have the annual statement of your Social Security benefits, use the following method to compute the total received for 2004. Add the amount of your December 2004, check plus the 2004 Medicare deduction of \$66.60 (if applicable), and multiply by 12.



Your December, 2004 Social Security check is \$795.20. You are covered by Medicare. Compute your total 2004 Social Security benefits as follows.

$$\$795.20 + \$66.60 = \$861.80$$

$$\$861.80 \times 12 \text{ months} = \$10,341.60$$

(Round this amount to \$10,342.00 and enter on line 6.)

Line 7 — All Other Pensions, Annuities, and Veterans' Benefits

Enter on line 7 the total amount received during 2004 from veterans' pensions and benefits. Also include on line 7 the total of all other taxable and nontaxable pensions and annuities received by you or your spouse that you have not already entered on line 4 or line 6.

Line 8 — TAF, General Assistance, Worker's Compensation and Disability Payments, Grants and Scholarships

Enter on line 8 the total amount received during 2004 in the form of:

- TAF—Temporary Assistance to Families;
- Welfare or general assistance payments;
- Worker's compensation;
- Disability payments (Do not include a disability pension received under the federal Social Security Act or a pension that you have already entered on line 4 or line 7);
- Grants, scholarships, and foster grandparent payments.

Line 9 — All Other Income

Enter on line 9 the total of:

- All income (regardless of source) received by adult individuals other than you and your spouse who lived in the homestead at any time during 2004. For those persons who lived with you less than 12 months, include only the income they received during the months they lived with you. Be sure to list these individuals in the "Members of Household" section on the back of the claim.
- The income (child support, SSI, wages, etc.) of a minor child or incapacitated person **ONLY** when that person is an owner of the homestead or is on the rental agreement.
- Any other income as outlined in "What is Household Income" on page 3 that has not been entered on lines 4 through 8.



Enclose with Form K-40H a list showing the recipient(s), source(s), and amount(s) for the income entered on line 9.

Line 10 — Total Household Income

Add lines 4 through 9 and enter the total on line 10.



To help expedite your refund claim, it is suggested that you enclose a copy of pages 1 and 2 of your federal return (Form 1040, 1040A or 1040EZ), statements from SRS and Social Security, and other documentation of the income amounts shown on lines 4 through 9.



If the amount on line 10 is over \$26,300, you do not qualify for a Homestead Refund.

EXCLUDED INCOME (back of Form K-40H)

All claimants are encouraged to complete this section on the back of Form K-40H. We may be able to process your claim more quickly if you furnish this additional information about the sources of your excludable income.

Enter the total received during 2004 by all household members (including minor children) from each of the sources listed — child support, personal and student loans, Social Security Disability, etc. For example, if you received child support of \$50 per month, enter \$600 (\$50 X 12 months) in the child support box. Enter under "Other" the wages received by a minor child, and any other income not considered to be household income (see "What is Household Income" on page 3). To verify that the Social Security is excludable disability income, you must enclose a copy of your benefit statement or award letter with your claim.

REFUND — Lines 11 through 15

Line 11 — Owner

If you own your home, enter on line 11 the total 2004 general property tax you have paid or will pay, as shown on your 2004 real estate tax statement. **DO NOT** include:

- Special assessment taxes, such as those levied for streets, sewers, or utilities;
- Charges for services, such as sewer services;
- Interest or late charges;
- Taxes on agricultural or commercial land.

If you are filing on behalf of a claimant who died during 2004, the property tax must be prorated based on the decedent's date of death. Follow the special instructions for decedents beginning on page 4 to determine the property tax amount to enter here.

2004 Property Tax Statement



You **MUST** enclose a copy of your 2004 property tax statement (not the receipt) with Form K-40H to verify the general property tax amount entered on line 11. This copy will not be returned. A property tax receipt that contains a breakdown of property tax among the general tax, special tax, fees, etc. (such as a receipt that is an exact copy of the statement) is also acceptable.



CAUTION: The annual statement from your mortgage company and some property tax receipts are NOT acceptable because they do not have a breakdown of the tax paid among general tax, special tax, late fees, etc. If you do not have a copy of your property tax statement, contact your county clerk and request a copy for Homestead purposes.

If you owned and lived in more than one homestead during 2004, enclose a copy of the 2004 property tax statement for each. If you sold a homestead you owned and occupied during 2004, you must enclose proof of the general property tax you paid before or at the time your homestead was sold. A copy of the real estate closing statement is acceptable. You may not claim more than 12 months' property taxes.

Mobile and Manufactured Home Owners

If you own your mobile home or manufactured home, enter on line 11 the personal property taxes you paid on your home, as well as the general property tax paid on the land. Enclose both tax statements with Form K-40H.

If you own your mobile home, but rent the land or lot on which it sits, complete a Schedule RNT for the rent paid on the land. Enter the amount from line 5 of Schedule RNT on line 12 of Form K-40H.

Farm Owners

If your homestead is part of a farm covered by a single property tax statement, you may use only the general property tax paid on the HOMESITE.

OWNER'S STATEMENT

You MUST complete the "Owner's Statement" section on the back of Form K-40H if the name on your property tax statement:

- is followed by "et al" (and others);
- has two or more names on it; **OR**
- does not include your name.

Tenants in Common

You must also complete the "Owner's Statement" if the title to your homestead is in your name and the name(s) of another person(s) other than a member of your household as tenants in common. Only the portion of the general property tax that reflects your ownership percentage is to be entered on line 11. Enter your percentage of ownership in the space provided in the "Owner's Statement" section on the back of Form K-40H.

Rental or Business Use of Homestead

If a portion of your homestead was rented to others or used for business purposes during 2004, you may only claim the amount of property taxes paid on the portion of your homestead you used for personal purposes.

Complete the following worksheet to determine the percent of rental or business use to enter in the "Owner's Statement" section, and the property tax amount to enter on line 11, front of Form K-40H.

If you filed Schedule C or C-EZ, Form 1040, complete only lines 4 through 6 of the worksheet.

WORKSHEET for RENTAL or BUSINESS USE of HOME	
1. Total number of rooms in your homestead.	_____
2. Number of rooms rented or used for business.	_____
3. Divide line 2 by line 1. This is the percent of rental or business use. Enter this percentage in the Owner's Statement section, back of Form K-40H.	_____ %
4. Total 2004 general property tax.	_____
5. Multiply line 4 by line 3. (If you claimed a property tax deduction on Schedule C or C-EZ, Form 1040, enter the amount from Schedule C or C-EZ on line 5.) This is the rental/business portion of the property taxes.	_____
6. Subtract line 5 from line 4. This is the general property tax on the nonbusiness portion of your homestead. Enter this amount on line 11 of Form K-40H.	_____

NOTE: You must also include the income received from the rental or business use of your homestead on line 4 or line 5 of Form K-40H.

Line 12 — Renter

To qualify under the renter provisions of the homestead law, the property you rent must be subject to property tax. Before completing Schedule RNT for the rent you paid, you **MUST** contact the county clerk, your landlord, or authorized agent to be sure the property is on the tax rolls.

	If the property you rented all of 2004 is not on the tax rolls, you do not qualify for a Homestead Refund.
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A renter's homestead refund is based on 20% of the "rent paid for occupancy." This is the total rent paid during 2004, less the value of any furniture, utilities, or services paid for or furnished by your landlord.

SCHEDULE RNT

If you rent your homestead, you must complete a Schedule RNT for **each** property you lived in during 2004, even if you paid no rent. Follow the detailed instructions on the back of Schedule RNT and the additional information and examples for special housing situations that follow to complete an accurate rental schedule.

Low Income Housing

If you rent low income or subsidized housing, check with your landlord to make sure the property is subject to property tax. (As a general rule, if you pay your rent to a local housing authority, the property is owned by the city and is not subject to property tax.) No homestead refund is allowed on a residence not subject to property tax.

Section Eight Housing

If you rent Section Eight Housing, part or all of your rent is paid by HUD (Housing and Urban Development). You may claim on Schedule RNT only the portion of rent YOU paid.



Rent on your apartment is \$300 per month. HUD pays \$275, you pay the remaining \$25. Only the \$25 you pay is used to compute the total rent paid on line 2 of Schedule RNT.



If line 13 is \$425, and line 14 is 44%: $\$425 \times 44\% (.44) = \187 . Enter \$187 on line 15 of Form K-40H.

Nursing Home, Retirement, or Assisted Living Facility Residents.

If the facility in which you are living and paying rent is subject to property tax, complete Schedule RNT for the rent you paid. If welfare or public assistance funds are paid directly to the nursing home for your rent, you may only use the rent YOU pay in completing Schedule RNT.



Your nursing home costs \$80 per day, billed monthly as \$2,400. You pay \$950 per month; the balance is paid by SRS. Use the \$950 per month you paid to figure the total rent amount to enter on line 2 of schedule RNT.



IMPORTANT: You must enclose ALL Schedule RNT forms with Form K-40H. The total rental period shown on Schedules RNT must cover all 12 months of calendar year 2004.

Line 13 — Total (not to exceed \$600)

Add lines 11 and 12. If the total is \$600 or less, enter the total of lines 11 and 12 on line 13.



Your mobile home taxes (line 11) are \$285. Your lot rent paid as property tax (line 12) is \$120. $\$285 + \$120 = \$405$. Enter \$405 on line 13.

If the total of lines of 11 and 12 is **more than \$600**, enter **\$600** on line 13.



Your general property tax on line 11 is \$750; line 12 is blank. Enter \$600 (the maximum amount allowed) on line 13.

Line 14 — Homestead Refund Percentage

(From the chart on page 6)

Your refund percentage is based on your total household income on line 10. Find your income on the left of the chart, and enter the corresponding percentage on line 14. If the percentage is less than 100%, leave the first box blank. For example, if the percentage is 40%, enter it like this:

Line 15 — Homestead Refund

IMPORTANT: If you are filing this claim on behalf of a claimant who died during 2004, follow the special instructions for decedent claims on pages 4 and 5 to complete line 15.

Multiply line 13 by the percentage on line 14. Enter the result on line 15 of Form K-40H. **NOTE:** If line 15 is less than \$5, it will not be refunded.

REFUND ADVANCEMENT PROGRAM FORM ELG (Home Owners)

An explanation of this program is on page 5. If you completed Form ELG, Certificate of Eligibility, at your county clerk's office in November or December, the amount the Kansas Department of Revenue paid to the county for your property tax on your behalf is in our records as a balance due. The department will recover this advanced amount when your Homestead Claim, Form K-40H and Individual Income Tax/Food Sales Tax Return, Form K-40, are processed.

Your refund(s) will be applied to the amount the department sent to the county for your property tax in December, and the balance of credit sent to you as a refund check. As a general rule, the Income Tax and/or Food Sales Tax Refund return, Form K-40, will be processed before your Homestead Claim, Form K-40H.

If you have a refund due on both the K-40H and K-40 returns, wait until both returns are processed before expecting a refund check. Your refund(s) are also subject to debtor set-off for other delinquent debts owed to the State of Kansas.

If you participated in the optional refund advancement program for your 2004 taxes, use the worksheet below to determine the amount of refund you will receive from the department as a check. You may also figure your net refund by adding the refund amounts from K-40 and K-40H together, then subtracting the advancement amount.

Refund Advancement Worksheet

1. 2004 Homestead Refund from Line 15 of Form K-40H _____
2. 2004 Homestead Refund Advancement amount from Line 6 of Form ELG _____
3. Subtract line 2 from line 1. _____

You will receive the amount on Line 3 as a check from the department if you have no other delinquent debts due the State of Kansas (See "Debtor Set-Off" above).

Note: Your income tax and/or food sales tax refund on Form K-40 may also be applied to the advancement amount.

IMPORTANT: If your 2004 Homestead refund (line 15, Form K-40H) is LESS than the advancement amount (line 2 of the worksheet above), you should pay the difference to the Kansas Department of Revenue with your 2004 Form K-40H. Make your check or money order payable to Kansas Department of Revenue. Be sure your Social Security number and tax period are indicated on your payment.

MEMBERS OF HOUSEHOLD

IMPORTANT: All claimants must complete this section on the back of Form K-40H.

As the claimant, enter your information on the first line. Then enter the name, date of birth, and other requested information for EACH PERSON (adults and children) who lived with you **at any time** during 2004. If the person lived with you all year, enter "12" in the number of months column. Be sure to indicate whether the individual's income is included as part of the household income reported on lines 4 through 9 of Form K-40H.

Child born in 2004

For a child born during 2004, enter only the number of months from the date of birth to the end of the year. For example, enter "6" in the number of months column for a child born July 10, 2004.

SIGNATURE

You, as the claimant, MUST sign the claim. If the claim was prepared by another, the preparer should also sign in the space provided, and provide a daytime phone number.



Preparer Authorization Box. In some cases it may be necessary for the department to contact you about your claim. By marking the box above the signature line, you are authorizing the director or the director's designee to discuss your Homestead claim and any enclosures with your preparer.

If the claim is being filed on behalf of a decedent, the surviving spouse or executor/executrix must sign the claim. See also "Deceased Claimants" on page 4 for additional forms and documents required for a decedent claim.

If the claimant is incapable of signing the claim, the person authorized to sign for the claimant MUST sign and enclose with the claim:



- a copy of the appointing documentation (guardian, conservator, power of attorney), **OR**
- a completed Form HS-9, "Support of Demand for Homestead Refund."

Form HS-9 is available from our office, web site or by calling our voice mail forms request line at (785) 296-4937.

MAILING YOUR CLAIM

Before mailing your claim, please be sure you have:

- written your numbers clearly in each box;
- completed all required information;
- signed the claim;
- kept a complete copy of your claim;
- enclosed a copy of your 2004 property tax statement or acceptable receipt-see page 17 (owners);
- enclosed Schedule(s) RNT totaling 12 months (renters);
- enclosed a copy of your Social Security disability award letter or Schedule DIS completed by your physician indicating date the disability began (disabled or blind claimants);
- placed all forms loose in the envelope. Please do NOT staple, tape or use any type of fastening device on documents you send us.

AFTER YOU FILE

Record Keeping

Keep a copy of your claim. If you have a problem later and need to contact the department, it will save time if you have a copy of your claim with you. Keep copies of Form K-40H, Schedule(s) RNT, required enclosures and all documents used to prepare the claim for at least four years.

Refund

Normal processing time for an error-free and complete homestead refund claim is 10 to 12 weeks. Renters should allow 20 weeks since the rent paid is verified with the landlord(s). Claims requiring correspondence will also take longer. If you wish to check on your refund, call our toll-free refund information line, or visit our web site.

Refund Information Line — 1-800-894-0318

If you have a touch-tone phone and you wish to inquire about the status of your refund, call our toll-free refund information line: 1-800-894-0318. This is an automated system. Before calling, you will need your Social Security number and the exact amount of your refund (line 15 of Form K-40H).

Correspondence from the Department

Should you receive a letter from the department about your claim, please respond to it immediately. The "10 to 12 weeks" processing time necessary for a typical homestead refund starts the day the missing information is received by the department. If you have questions about the letter or wish to discuss your claim in person, contact our Taxpayer Assistance Center at 785-368-8222.

STEPS TO SPEED UP YOUR REFUND

STEP 1

Assemble the information you will need:

- A copy of your 2004 Kansas income tax return (if required to file a return).
- A copy of your 2003 federal income tax return and/or correspondence from the IRS (if you received a federal earned income credit in 2004 for the 2003 or prior tax years).
- Copies of all income documents for all persons who lived with you at any time during 2004, such as W-2 and 1099 forms, and statements from Social Security and SRS.
- Social Security numbers and birth dates of all persons who lived with you at any time during 2004, including children.
- Homeowners: A copy of your 2004 property tax statement (see page 17).
- Renters: The name, street address, and phone number of all landlords, and the amount of rent paid per month.

STEP 2

Follow the line-by-line instructions beginning on page 15.

- Even if you have filed a claim in the past, review the instructions for each line.
- If you have questions, call one of the assistance numbers on the back cover of this booklet.

STEP 3

Enclose all required documents.

- Disabled or Blind Claimants: A copy of your Social Security disability letter with date disability began, or Schedule DIS (page 21) completed by your physician. (See instructions for Line 2 on page 16.)
- List of recipients, sources, and amounts of income reported on Line 9 (see the instructions for Line 9 on page 17).
- A copy of your 2004 Income Tax Return (optional — see instructions for Line 10 on page 17).
- Homeowners: A copy of your 2004 property tax statement (see the instructions for Line 11 on page 17).
- Renters: Completed Schedule(s) RNT totaling 12 months.
- For Deceased Claimants: Proof of death and Form RF-9 (on page 22) or court documents. See page 4.
- For Incapacitated Claimants: A copy of the court document, or a completed "Support of Demand for Homestead Refund," Form HS-9, available from our office or web site: www.ksrevenue.org

Please do not staple, paper clip, or tape the pages of your claim together or use any other fastening devices on documents you send us.



State of Kansas
 Department of Revenue
 Docking State Office Building, 915 SW Harrison St.
 Topeka, KS 66612-1588

PRSR STD
 U.S. POSTAGE
PAID
 KANSAS DEPT.
 OF REVENUE



ATTENTION: If correct, peel off and affix to the claim you file. If label is incorrect, do not use.

Taxpayer Assistance

BY PHONE

If you have a question about completing your Kansas Homestead Claim, call 785-368-8222 to speak to a customer representative. If you prefer, you may fax information to 785-291-3614.

TTY Users
 Telecommunications Device
 for the Deaf
 785-296-6461



IN PERSON

Personal assistance to complete your return is available from our Topeka office or from free volunteer tax assistance programs (VITA) by the Internal Revenue Service (IRS) and the American Association of Retired Persons (AARP). VITA and AARP Tax-Aide sites can be found in community centers, libraries, churches, retirement homes, etc. For the VITA/TCE site nearest you, call 1-800-TAX-1040 (1-800-829-1040), or contact the IRS Taxpayer Education Coordinator at your local IRS office. For the AARP-Tax Aide site nearest you, call 1-888-227-7669, or visit their web page, www.aarp.org/taxaide/home.html, and enter your city, state and zip code.

Taxpayer Assistance Center
 Docking State Office Building - 1st floor
 915 SW Harrison Street
 Topeka, KS 66625-2007

The Department of Revenue office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday.

REQUEST FOR TAX FORMS - 785-296-4937

Tax forms are available at many city and county clerk offices, banks, libraries, and other places of convenience. To obtain forms by mail, contact the Kansas Department of Revenue voice mail system at 785-296-4937. You will be asked to give your name, address, telephone number, and form(s) you desire. Please allow about two weeks for delivery of your form(s). Tax forms can also be found on the Department of Revenue's web site at www.ksrevenue.org.

REFUND INFORMATION

Normal processing time for an error-free and complete homestead claim is 10 to 12 weeks. Renters should allow 20 weeks since the rent paid is verified with the landlord(s). You can check the status of your current year refund 24 hours a day/7 days a week from our web site or by phone. You will need to provide the Social Security number(s) shown on your return and the expected amount of your refund. When you have this information, do one of the following:

- Go to www.ksrevenue.org, click on **Your Personal**, then click on **Refund Status Online**.
- Call **1-800-894-0318** for automated refund information and follow the recorded instructions.

SERVICES FOR OLDER KANSANS - 785-296-4986

The **Kansas Department of Aging** sponsors services designed to improve the quality of life for people aged 60 and over. Among the services are meals, rides, legal advice, other information and referrals. To obtain information about aging services, write to the Kansas Department of Aging, 503 S. Kansas Ave., Topeka, KS 66603, or call (785) 296-4986.