

Renter Rebate Program for Tax Year 2017

You may be eligible for a renter rebate if you: 1) were domiciled in Vermont for the entire 2017 calendar year; 2) rented in Vermont for all 12 months (see page 2 for one exception); and 3) met the household income requirement. The maximum renter rebate amount for TY2017 is \$3,000. This fact sheet offers guidance on who can file, how to file, and other important information.

The Renter Rebate Claim for TY2017 is due April 17 and no later than Oct. 15.

Who is eligible for a renter rebate?

In order to file a Renter Rebate Claim, you must meet **ALL** of the following eligibility requirements:

- You were domiciled* in Vermont for the entire 2017 calendar year;
- You were not claimed as a dependent of another taxpayer;
- Your household income for 2017 is \$47,000 or less;
- You are the only person in the household making a Renter Rebate Claim; and
- You rented for all 12 months of the year (see exception on page 2).

* *Domicile is a legal concept that has implications for Vermont income tax, the statewide education tax, and property tax adjustments. For the definition of "domicile," see Vermont Reg. § 1.5811(11)(A)(i) found at www.bit.ly/vttaxregs*

What forms are needed for a Renter Rebate Claim?

You need the following three forms to file a claim:

1. **PR-141**, Renter Rebate Claim: This form uses information from the HI-144 and LC-142 to calculate your renter rebate.
2. **LC-142**, Vermont Landlord's Certificate: This form is completed by your landlord. If your landlord owns two or more units, the landlord must provide it to you by January 31. If your landlord owns just one rental unit, you must request the LC-142. **Be sure to enter your name and Social Security Number at the top of the LC-142 after you receive it from your landlord.**
3. **HI-144**, Vermont Household Income Schedule: Household income is different from the income you

report on an income tax return. You must include all sources of income, taxable and nontaxable, including the income of any other persons living in your household for any period of time during 2017. This includes your spouse/civil union partner, roommates, and family members, including children. For more help with this, refer to our fact sheet on the HI-144.

How do I file a Renter Rebate Claim?

To determine if you meet household income eligibility requirements, you must complete Schedule HI-144. If your household income is \$47,000 or less, you may proceed to file a Renter Rebate Claim.

You also need the LC-142 from your landlord. The LC-142 shows the rent you actually paid. If you are not current on your rent, your LC-142 will reflect that situation. Using the information your landlord has provided and the information on the HI-144, you can complete the PR-141 to calculate your renter rebate.

You may submit your claim separately from your Form IN-111, Vermont Income Tax Return. However, if you choose to file your renter rebate with your tax return, you may enter the renter rebate amount found on Form PR-141 on the appropriate line on Form IN-111. Include Form PR-141 with your return.

Renter Rebate Claims are due the same April due date as Vermont income tax returns. If you file for an extension on your income tax return, the Renter Rebate Claim is still due on the April due date. No claims will be accepted after the October due date.

Please note that only one rebate claim is allowed per rental unit.

File Landlord Certificates and Renter Rebates online through myVTax

Landlords may file and print **Form LC-142, Landlord Certificate**, and renters may file **Form PR-141, Renter Rebate Claim**, with all schedules online at www.myVTax.vermont.gov. Landlord Certificates filed online will bear an E-file Certificate Number at the bottom of the certificate. Renters completing the Renter Rebate Claim should enter this number in Section A of Form PR-141. If you don't see an E-file Certificate Number, you may still file your Renter Rebate Claim online. Learn how to file online by viewing our videos and guides at www.tax.vermont.gov.

Important Notes

Exception to renting for 12 months: You may be eligible for a renter rebate if you owned a Vermont homestead in 2017 but sold the homestead before April 1. To qualify, you must have begun renting immediately after the sale through Dec. 31, 2017, and did not receive a Property Tax Adjustment. This is the *only* situation where a claimant can rent for less than 12 months.

Deceased renter: A renter rebate cannot be made on behalf of a deceased person. The right to file a Renter Rebate Claim is personal to the claimant and does not survive the claimant's death.

Unable to receive LC-142: You may still file a Renter Rebate Claim if you are unable to obtain a LC-142 from your landlord. Complete a Landlord's Certificate—including your landlord's name, address, and phone number—and attach copies of your canceled checks or receipts for rent paid. In addition, attach a letter explaining why you could not get a Landlord's Certificate.

Lived in two or more rental locations: If you have more than one Landlord's Certificate, add "Allocable Rent" from each certificate and enter this amount on your PR-141, Renter Rebate Claim. File all LC-142s with your claim.

Non-home use: Rent eligible for a rebate is for your living space. If you use more than 25% of your rental unit's floor space for business purposes, the rent eligible is reduced. The percentage of business use should be the same percentage used on your federal income tax return. If you sublet part of your home, you must reduce your home use.

Renter rebate for nursing or residential care home: The Renter Rebate Claim is for room charge only. Services such as heat, electricity, personal services, medical services, etc. are deducted from the total. Generally, the room charge is about 25% of the home's total charges to the person. For a percentage greater than 25%, the nursing home or residential care home must provide a breakout of costs.

Note about Medicaid recipients: Payments made by Medicaid on behalf of the claimant to the nursing home cannot be included as part of rent paid.

In the process of divorce or legal separation and the process is not finalized with a decree signed by a judge: In this situation, you are required to include the income of your spouse or civil union partner on Schedule HI-144.

You may wish to consult a tax professional regarding limitations to these claims in the case of separation or divorce.

Offset of renter rebate/Injured Spouse Claims: The Department will notify you if the renter rebate was used to pay money owed to a Vermont state agency. If your spouse is responsible for the bill, and you are not, you have 30 days from the date of the notice to submit the injured spouse claim to the Department. You may receive the portion of the renter rebate equal to the percentage of your income to the combined income of you and your partner.

To make an injured spouse claim, send the request letter, a copy of Federal Form 8379 (if you filed one with the IRS), and all W-2s and 1099s to Vermont Department of Taxes, ATTN: Injured Spouse Unit, PO Box 1645, Montpelier, VT 05601-1645.

Forms Needed to File:

- Renter Rebate Claim, PR-141
- Household Income Schedule, HI-144
- Landlord's Certificate, LC-142

Mail completed paper Renter Rebate Claim forms to:

Vermont Department of Taxes
PO Box 1881
Montpelier, VT 05601-1881

Contact Us

For questions about filing a Renter Rebate Claim, contact the Vermont Department of Taxes at 802-828-2865 or 866-828-2865 (toll-free in Vermont).

For more information on the Renter Rebate Claim, see 32 V.S.A. §§ 6061-6075 at <http://legislature.vermont.gov/statutes/title/32>.

File your Renter Rebate Claim online at www.myVTax.vermont.gov.

Visit our website at www.tax.vermont.gov for forms and more fact sheets.

