

Special Homestead for Property Owners who are Blind or Disabled (Class 1b)

This classification provides a reduced property tax classification rate the homestead property of an individual who is either:

1. permanently and totally disabled
2. legally blind

What is this special classification?

The “1b” classification provides a reduced class rate for homestead property of any person who qualifies as blind or as permanently and totally disabled. The 1b property tax classification provides a reduction in property taxes.

Who is eligible for Class 1b?

Class 1b blind/disabled homestead is provided to any person who qualifies as either:

- (1) blind (as defined in Minnesota Statutes, section 256D.35)
- (2) permanently and totally disabled

What constitutes legal blindness for the classification?

Law defines “blind” as a person whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses. If visual acuity is greater than 20/200, the condition must be accompanied by limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

When applying for class 1b an eye doctor’s report or letter giving detail of the person’s sight must be included. A statement by the individual is not sufficient.

What constitutes permanent and total disability for the classification?

For the purposes of 1b classification, permanent and total disability describes a condition which is permanent in nature and totally incapacitates a person from working at an occupation which

brings the person an income. An individual who is permanently and totally disabled must be receiving payments from a qualifying agency because of their disability.

What are the qualifying agencies?

Examples of qualifying agencies are:

- Social Security Administration
- Veterans Administration
- Public or private pension plans
- Welfare Supplemental Security Income
- Workers Compensation

How does 1b classification work?

Qualifying applicants will receive a reduced property tax classification rate.

- The first \$50,000 market value has a class rate of 0.45 percent of its market value.
- The remaining market value has a class rate of 1.00% on up to \$500,000 and 1.25% above that.

Example: Assume you own a home with a taxable market value of \$200,000. The first \$50,000 of that value is taxed at a rate of 0.45 percent instead of the normal 1.00 percent rate applied to residential homesteads of the same value.

$$\$50,000 \times 0.45 \text{ percent} = \$225.00$$

$$\$150,000 \text{ (remaining value)} \times 1.00 \text{ percent} = \$1,500.00$$

$$\$225.00 + \$1,500.00 = \mathbf{\$1,725.00}$$

Without class 1b, the previous example would pay \$2,000.00 in annual taxes. In this example, class 1b results in a savings of \$275.00 annually.

This is a simplified example. It does not take into account any additional tax costs or savings that may apply to your property. It also does not take into account the variation in local tax rates.

Can my relative homestead qualify?

To qualify for class 1b on a relative homestead, the qualifying relative living in the home must be the qualifying blind/disabled person.

- If you are blind/disabled and own a second home that a non-blind/disabled relative occupies as a homestead, that home is *not* eligible for the 1b homestead classification.
- If you are blind/disabled and occupy a home that is owned by a relative, that home may qualify for 1b homestead classification.

How do I apply?

To apply for class 1b blind/disabled homestead, you must complete the appropriate application with your county assessor by October 1st for taxes payable the next year.

Your disability or blindness must have occurred on or before June 30 of the year you are filing for the special homestead classification. You must attach the appropriate documentation proving that you are blind/ disabled.

- **Blind:** Provide a copy of a letter or current eye report signed by your eye doctor stating that you are legally blind.
- **Disabled:** Provide proof of disability payments from a qualifying agency. Provide a letter from a qualifying agency certifying that you are totally and permanently disabled (usually this is a copy of an initial disability award letter from the agency).

There are no annual applications for class 1b. If you qualify for class 1b it is permanent as long as you occupy the homestead. However, if you move to a new location, you must notify the county assessor within 30 days of the change and the class 1b status will move with you.

What else should I know?

You must notify the county assessor within 30 days if your property is sold, if there is a change in occupancy, or if there is a change in your status or condition that would no longer warrant the special homestead.

If you fail to notify the assessor of such a change within 30 days, you will be subject to the penalties provided in law. The property will also lose its current classification as class 1b.

The 1b class expires with the death of the blind/disabled property owner. It does not extend to a spouse after death; the classification would be removed for the following assessment.

Additionally, property receiving a market value exclusion for a veteran who is disabled is not eligible for 1b classification.

What if I have questions?

If you need additional information or assistance, please contact your county assessor.

For Office Use Only

Name of applicant _____ Assessment year _____

☐ Approved

Assessor's signature _____ Date _____

☐ Denied

CR-1B

Special Homestead Classification: Class 1b Property

For homesteads of persons who are blind or permanently and totally disabled

Applications are due by October 1. Read instructions before completing.

Check if: ☐ This is my first application ☐ This is a change of address

Type or Print

Last Name	First Name	M.I.	Social Security Number
Spouse's Last Name	Spouse's First Name	M.I.	Social Security Number
Address (Cannot be a P.O. Box Number)			Date of Birth
City	State	Zip Code	County
Property ID Number or Plate and Parcel Number (from property tax statement)			
Do you own this property?		I have owned this property since:	
<input type="checkbox"/> Yes <input type="checkbox"/> No		Month _____ Year _____	
Does a relative own the property?		I have lived in this property since:	
<input type="checkbox"/> Yes <input type="checkbox"/> No		Month _____ Year _____	

Check all boxes that apply. If you are applying for the first time, you must attach the appropriate documentation certifying that you are blind or permanently and totally disabled. (See instructions to determine what information to provide.)

Check if:

☐ I am legally blind ☐ I am permanently and totally disabled

The onset of your disability or blindness must have occurred on or before June 30 of the year you are filing for the special homestead classification.

Check one box only

I own this property with:

☐ No one else ☐ My spouse only
☐ My spouse and others ☐ One other person (who is not my spouse)
☐ Others (not including my spouse) ☐ Home is owned by a relative

What is your relationship to the owner? _____

I have attached the appropriate documentation certifying that I am legally blind or permanently and totally disabled, and this documentation shows that the onset of my disability or blindness occurred on or before June 30 of the filing year.

☐ Yes ☐ No

I certify that I am not receiving the Disabled Veterans Homestead (Market Value Exclusion program).

☐ Yes ☐ No

Check All That Apply

Sign Here

I declare all information on this form is true, correct, and complete to the best of my knowledge and belief.

Signature of Applicant	Signature of Spouse	Date	Daytime Phone
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Form CR-1B Instructions

Who is Eligible

You may qualify to receive a decrease in property taxes if:

- You can provide a letter or report from an eye doctor stating that you are certified legally blind.
- You are totally and permanently disabled and can provide proof of the disability.

Relative Homesteads

Real estate that is occupied and used as a homestead by a blind/disabled relative of the property owner can qualify as class 1b property. In order to qualify for the special homestead, the relative living in the home must be the qualifying blind/disabled person.

How to Apply

- Complete the entire application fully and legibly. Attach all the proper documentation and mail to your county assessor by October 1. Applications must be received by to October 1 to apply for taxes payable the next year.
- Do not include spouse information if the spouse did not live in the home the previous year or is deceased.
- If you are married and own your home jointly, both you and your spouse must sign the application.
- You will be notified of your eligibility within four to six weeks after receipt of your application. If you are approved, you will remain in the program as long as you own your home. If you move, you must complete a new application to acknowledge the change of address.

Required Attachments

If you are applying for the first time, you must attach the following to your application:

Blind- Attach a copy of a signed and approved letter or report from your eye doctor stating that you are legally blind. Legally blind is defined in Minnesota Statutes, section 256D.35 as a person whose visual acuity does not exceed 20/200 in the better eye with correcting lenses; or if visual acuity is greater than 20/200, the condition is accompanied by limitation in the fields of vision such that the widest diameter of the visual field subtends to an angle no greater than 20 degrees. Your report from a certified eye doctor must attest to either of these facts.

Disabled- Attach a letter from a qualified agency certifying that you are totally and permanently disabled and receive disability payments. Usually this is a copy of an initial disability award letter from the agency. Copies of SSA-1099 forms, check stubs or letters from a physician are not acceptable.

Use of Information

The information on this form is required by Minnesota Statutes, section 273.13 to properly identify you and determine if you qualify for this property tax classification. Your Social Security number is required. If you do not provide the required information, your application may be delayed or denied. Your County Assessor may also ask for additional verification of qualifications. Your Social Security number is considered private data.

Disabled Veterans

If you are a disabled veteran with a service-connected disability of 70 percent or more, you may qualify for a market value exclusion. If you believe you may qualify for this exclusion, you will need to complete a separate application. Please contact your county assessor to learn more.

Penalties

Making false statements on this application is against the law. Minnesota Statutes, section 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.

Renewing your Special Homestead Classification

If this property is granted the special homestead classification, it is not necessary for you to reapply.

However, the county assessor may require you to provide an additional application or other proof deemed necessary to verify that you continue to qualify for the special homestead classification.

If you Sell, Move, or Change your Marital Status

If this property is sold, you or your spouse changes his/her primary residence, or you change your marital status, state law requires you to notify the county assessor within thirty days.

If you fail to notify the county assessor within 30 days of the change, the property may be assessed the tax that is due on the property based on its correct property class plus a penalty equal to the same amount.

Making False Statements on this Application is Against the Law

Minnesota Statute 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.

Information and Assistance

Contact your County Assessor's Office for assistance.