

INDIGENT AND CIRCUIT BREAKER HOMEOWNERS CREDIT

HOUSEHOLD INCOME QUICK REFERENCE

Rev. 08/2019

Included in Household Income

§ 59-2-1202(6)(a)(i) & (b)

- Federal adjusted gross income (FAGI);

The following non-taxable income:

- Capital gains;
- Loss carry forwards;
- Depreciation claimed on the residence upon which relief is filed;
- Support money;
- Non-taxable strike benefits;
- Cash public assistance or relief;
- Gross amount of a pension or annuity;
- Social Security payments;
- State unemployment insurance amounts;
- Non-taxable interest from any source;
- Workers' compensation;
- Gross amount of "loss of time" insurance; and
- Voluntary contributions to a tax-deferred retirement plan.

R865-9I-34(B)

- Federal child tax credit that **exceeds** the taxpayer's federal tax liability; and
- Federal earned income credit that **exceeds** the taxpayer's federal tax liability.

What is a household (for the homeowners credit)?

Households [§ 59-2-1202(4)] are determined as of **Jan. 1 of the year the claim is filed** [R865-9I-34(A)(1)]. All income earned in the **previous year** by members of the household on **Jan. 1** is included, **even if a member ceases to live in the household between Jan. 1 and time of application**. A household for the renters refund is determined differently, please be aware of this when reading the Code to avoid confusion.

NOT Included in Household Income

§ 59-2-1202(6)(a)(ii)

- Aid, assistance, or contributions from a tax-exempt nongovernmental source;
- Surplus food;
- Relief in kind provided by a public or private agency; and
- Property tax relief.

R865-9I-34(C)

- Federal child tax credit that **does not exceed** the taxpayer's federal tax liability; and
- Federal earned income credit that **does not exceed** the taxpayer's federal tax liability
- Federal tax refunds
- Payments received under a reverse mortgage
- [Payments or reimbursements](#) to [federal senior program volunteers](#).

What is income?

Questions arise if taxpayers submit complex federal tax returns as proof of income. **Consulting the Form 1040 instructions and schedules can help determine if income listed in supplementary evidence is part of, or deducted from the FAGI.**

For example, business losses are **deducted** from the FAGI and are listed on Schedule 1 after being calculated on Schedule C. HSA distributions from the 1099-SA are **included** in the FAGI and listed on Schedule 1 after being determined on Form 8889.

If the IRS accepts a taxpayer's FAGI as accurate, this decision should be deferred to.