

The revenue from taxes exempted under this program are never recouped by the City because they do not have to be repaid at a later date. However, taxes deferred would be repaid to the City when the property changes ownership. The balance of unpaid deferred taxes is essentially a loan that accrues interest at the rate of five percent (5 percent) per year from the date of the deferral until the taxes are paid in full at the date of sale.

In the case of either an exemption or a deferral, the resident must own and occupy the property in question on January 1 and throughout the year.

Disabled Veterans Tax Relief

Starting in calendar year 2011, veterans who have been classified as having a 100 percent permanent and total disability by the Department of Veterans Affairs and, in some cases, their surviving spouses are also exempt from real estate tax on their primary residences. This is a state mandated program and is a full exemption from real estate taxes.

Solar Energy Equipment Tax Exemption

In addition to the annual programs, property owners can qualify for a tax exemption for the installation of solar equipment that is designed and used primarily for the purpose of providing for the collection and use of solar energy for water heating, space heating or cooling or other applications which would otherwise require a conventional source of energy. Qualifying equipment or system installations will entitle the property owner to a tax exemption for five years. The value of the tax exemption is based on the cost or a percentage of the cost of the installation and the solar equipment, facilities or devices installed.

The following chart shows the number of participants in each category and the amount of foregone revenue for calendar year 2011.

Type	Foregone Tax Revenue	Total Participants
Elderly or Totally Disabled (exemption)	\$3.4 million	1,198
Elderly or Totally Disabled (deferral)	Less than \$0.1 million	18
100% Service Disabled Veterans (effective 1/1/11)	\$0.2 million	36
Solar Energy Tax Exemption	Less than \$0.1 million	4
Total Revenue Foregone	\$3.6 million*	1,252

*excluding deferral