

Don't Forget About the Property Tax Deferral Loan Program and Rural Repair Grants and Loans!

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Are you having trouble paying the property taxes on your home? Is your home in need of essential repairs? Two programs, The Wisconsin Property Tax Deferral program and the Rural Repair Grant and Loan program may be able to help!

The Wisconsin Property Tax Deferral Loan program allows low income elderly homeowners to convert home equity into income to pay their property taxes.

The program provides a loan to the homeowner which the homeowner then uses to pay his or her property taxes. The way the program gets paid its loan back is by putting a lien on the home. As a result, you do not have to pay the loan back until and unless your home is sold, you give it away or the last owner of the home passes away. When one of these events occurs, the total amount of the loan, with interest, is repaid from the proceeds of the estate or sale of the property. The interest rate on loans in 2010 will be 4.25%.

To be eligible for the program you must:

1. be a homeowner; and
2. have lived in the home for at least 6 months during the preceding year; and
3. be age 65 or older (if there is a spouse and/or co-owner(s) the spouse and/or co-owner(s) must be at least age 60); and
4. have a total household income of no more than \$20,000 a year.

If you are eligible for the program you can apply for a loan with the Wisconsin Housing and Economic Development Authority (WHEDA). The amount of the loan will be equal to the amount of property taxes and special assessments levied on your home, up to a maximum of \$2,500.

Applications for property tax deferral loans must be filed with WHEDA by June 30 of the year in which the taxes are due. For example, applications must be filed by June 30, 2010, to receive a loan to pay 2009 property taxes payable in 2009.

To obtain more information about the program or to apply for a property tax deferral loan contact WHEDA at 1-800-755-7835.

In addition to assistance with homestead property tax bills, there are also rural repair grants and loans available from the USDA. These grants and loans are available to low income rural residents who own and occupy a dwelling in need of repair or modernization. Grants and loans can be used for making repairs, installing essential features and removing health and safety hazards. For example, funds may be used for repairing or replacing storm doors, windows, steps,

furnaces, water heaters or roofs. Funds can be also be used for insulation, electrical, plumbing, and septic and water systems, and to provide accessibility for persons with disabilities.

Grants do not have to be repaid and are available to rural residents age 62 and over who lack the ability to repay a loan. A life time maximum of \$7,500 may be granted.

To qualify for *grants*, applicants must be:

1. a rural resident or living in a small town with a population of 10,000 (selected communities with populations of 20,000 are also eligible) and
2. be within the designated income levels and
3. Be 62 years old and unable to repay a loan.

To qualify for *loans*, applicants must be:

1. a rural resident or living in a small town with a population of 10,000 (selected communities with populations of 20,000 are also eligible) and
2. be within the designated income levels and
3. be able to repay the loan

Loans carry a 1% interest rate and may be repaid over a 20 year period. A maximum of \$20,000 may be borrowed at one time.

There is no fixed amount for income eligibility. Instead it is based on adjusted annual income limits for each county which range from \$20,500 to \$29,350 for a single household) and \$23,400 to \$33,550 for a two person household. Where you live will determine what income limit applies to you. There is also an asset limit.

If you would like to investigate your eligibility for a grant or loan and/or apply for a grant or loan, you can do so by contacting your nearest Rural Development Area office:

Spooner Area Office  
800 N. Front Street, Room 102  
Spooner, WI 54801  
Email: [RD.Spooner@wi.usda.gov](mailto:RD.Spooner@wi.usda.gov)  
Phone: (715)635-8228  
FAX: (715)635-6816

Or contact Kim Gogan or Mary Simpson, Elderly Benefits Specialists at (715) 537-6225.