

<b>FILED</b>
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

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**Signature of Sponsor**

**AMEND Senate Bill No. 1047**

**House Bill No. 1061\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-5-702, is amended by deleting the language "sixty-five (65) years of age" wherever it appears and substituting instead the language "sixty-two (62) years of age".

SECTION 2. Tennessee Code Annotated, Section 67-5-702(a)(2), is amended by deleting the subdivision and substituting instead the following:

(2)

(A) For tax year 2008 through tax year 2020, the taxpayer's annual income from all sources shall not exceed twenty-four thousand dollars (\$24,000), or such other amount as set forth in the general appropriations act. This annual income limit for such tax years must be adjusted each tax year to reflect the cost of living adjustment for social security recipients as determined by the social security administration and must be rounded to the nearest ten dollars (\$10.00).

(B) For tax year 2021 and thereafter, to be eligible for tax relief under this section, the taxpayer's monthly gross housing costs must be:

(i) If the price-to-income ratio in the county is less than 3.1, more than twenty percent (20%) but less than or equal to thirty percent (30%) of the taxpayer's monthly gross income from all sources;

(ii) If the price-to-income ratio in the county is 3.1 to 4.0, more than thirty percent (30%) but less than or equal to forty percent (40%) of the taxpayer's monthly gross income from all sources;



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(iii) If the price-to-income ratio in the county is 4.1 to 5.0, more than forty percent (40%) but less than or equal to fifty percent (50%) of the taxpayer's monthly gross income from all sources; and

(iv) If the price-to-income ratio in the county is 5.1 or greater, more than fifty percent (50%) of the taxpayer's monthly gross income from all sources.

(C) For purposes of subdivision (a)(2)(B), "price-to-income ratio" means the median house price within the county in which the residence is located divided by the gross annual median household income for households of the same size within the county in which the residence is located.

(D) The income attributable to the applicant for tax relief is the income of all owners of the property, the income of applicant's spouse, and the income of any owner of a remainder or reversion in the property if the property constituted the person's legal residence at any time during the year for which tax relief is claimed. Any portion of social security income, social security equivalent railroad retirement benefits, and veterans entitlements required to be paid to a nursing home for nursing home care by federal regulations is not considered income to an owner who relocates to a nursing home.

SECTION 3. Tennessee Code Annotated, Section 67-5-703(a)(2), is amended by deleting the subdivision and substituting instead the following:

(2)

(A) For tax year 2008 through tax year 2020, the taxpayer's annual income from all sources shall not exceed twenty-four thousand dollars (\$24,000), or such other amount as set forth in the general appropriations act. This annual income limit for such tax years must be adjusted each tax year to reflect the cost of living adjustment for social security recipients as determined by the social security administration and must be rounded to the nearest ten dollars (\$10.00).

(B) For tax year 2021 and thereafter, to be eligible for tax relief under this section, the taxpayer's monthly gross housing costs must be:

(i) If the price-to-income ratio in the county is less than 3.1, more than twenty percent (20%) but less than or equal to thirty percent (30%) of the taxpayer's monthly gross income from all sources;

(ii) If the price-to-income ratio in the county is 3.1 to 4.0, more than thirty percent (30%) but less than or equal to forty percent (40%) of the taxpayer's monthly gross income from all sources;

(iii) If the price-to-income ratio in the county is 4.1 to 5.0, more than forty percent (40%) but less than or equal to fifty percent (50%) of the taxpayer's monthly gross income from all sources; and

(iv) If the price-to-income ratio in the county is 5.1 or greater, more than fifty percent (50%) of the taxpayer's monthly gross income from all sources.

(C) For purposes of subdivision (a)(2)(B), "price-to-income ratio" means the median house price within the county in which the residence is located divided by the gross annual median household income for households of the same size within the county in which the residence is located.

(D) The income attributable to the applicant for tax relief is the income of all owners of the property, the income of applicant's spouse, and the income of any owner of a remainder or reversion in the property if the property constituted the person's legal residence at any time during the year for which tax relief is claimed. Any portion of social security income, social security equivalent railroad retirement benefits, and veterans entitlements required to be paid to a nursing home for nursing home care by federal regulations is not considered income to an owner who relocates to a nursing home.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to tax years beginning on or after January 1, 2021.