State of Oklahoma

Natural Disaster Tax Credit

(For residential real property owners only)

Tax Year 2014

FORM **576**

Read all information on the back of this form prior to completing the fields below. Keep a copy of this form to file with your return for the next four years.

Name (as shown on your income tax return)

Social Security Number

Name of property owner(s) *-if different from above*

Address of Property

Parcel Identification Number *or* **Account Number**

Legal Description of Property **(include county)**

Enter the qualifying natural disaster which damaged or destroyed your Oklahoma residence. To qualify, a Presidential Major Disaster Declaration must have been issued, unless the natural disaster was a tornado occurring in calendar year 2012 or 2013 in which case a Presidential Major Disaster Declaration is not required. *Qualifying Oklahoma natural disasters for which a Presidential Major Disaster Declaration was issued can be found on FEMA's website at* ***www.fema.gov/disasters***. The Declaration Type is 'Major Disaster Declarations'.

Oklahoma Natural Disaster

Date of Natural Disaster

Credit Computation

1 Enter the allowed ad valorem property tax paid on the property and on improvements the first year after the improvement is complete ..... _____

➔ ***(If you increased the size of your home, see Line 1 instructions on the back of the form to determine the amount to enter on this line)***

2 Enter the ad valorem property tax paid on the property and on improvements in year prior to the damage or destruction ..... _____

Note: You must be the owner of record for each tax year the credit is claimed.

3 Refundable credit available for tax year 2014. (Subtract line 2 from line 1) ..... _____

4 Refundable credit available for tax year 2015. (Multiply line 3 by 80%) ..... _____

5 Refundable credit available for tax year 2016. (Multiply line 4 by 80%) ..... _____

6 Refundable credit available for tax year 2017. (Multiply line 5 by 80%) ..... _____

7 Refundable credit available for tax year 2018. (Multiply line 6 by 80%) ..... _____

The filing of this form authorizes the Oklahoma Tax Commission to verify the information contained herein with the applicable County Assessor's and/or Treasurer's office.

Natural Disaster Tax Credit Instructions

68 Oklahoma Statutes Sec. 2357.29A

A credit is allowed against income tax for owners of residential real property whose primary residence was damaged or destroyed in a natural disaster occurring after December 31, 2011. For purposes of this credit, a "natural disaster" means a weather or fire event for which a Presidential Major Disaster Declaration was issued or a tornado occurring in calendar year 2012 or 2013 regardless of whether a Presidential Major Disaster Declaration was issued.

The amount of the credit is the difference between the ad valorem property tax paid on the property and on improvements in the year prior to the damage or destruction and the ad valorem property tax paid the first year after the improvement is complete. For purposes of this credit, the amount of ad valorem property tax paid the first year after the improvement is complete is based on the same or similar square footage as the property which was damaged or destroyed.

The credit is a refundable credit. Eligible taxpayers are entitled to claim this credit for five consecutive years. After the first year the credit is claimed, the amount of the credit is 80% of the previous year's credit.

The credit will not be allowed if the property is transferred or title is changed or conveyed. Any credit claimed and allowed prior to the transfer of the property or the change or conveyance of title will not be affected.

In order to qualify for this credit:

1. The property was damaged or destroyed by a natural disaster after December 31, 2011;
2. The property is within an area which has been declared a federal disaster area, unless the natural disaster was a tornado occurring in calendar year 2012 or 2013;
3. The property is the primary residence of the owner both the year prior to and after the natural disaster;
4. The owner has been granted a homestead exemption or is eligible to claim a homestead exemption both the year prior to and after the natural disaster;
5. The primary residence must be repaired or rebuilt on the same property as it existed prior to the natural disaster; and
6. The primary residence must be repaired or rebuilt and used as the primary residence no later than December 31, 2015, with respect to calendar year 2012 or 2013 natural disaster and no later than 36 months after the date of any natural disaster occurring on or after January 1, 2014.

Line 1 instructions:

If your home, after being rebuilt or repaired, has more square feet than it did in in the year prior to the natural disaster, do not enter the full amount of your property tax on line 1. The credit is based on same or similar square footage; therefore, you must determine the portion of your property tax based on the size of your home, as it was in the year prior to the natural disaster. Use the following steps to determine the amount to enter on line 1.

Step One: Determine the property tax, per square foot, of your home after being rebuilt or repaired. To do this divide the property tax on your rebuilt or repaired home by your home's current square footage.

Step Two: Multiply the amount from Step One by what your home's square footage was in the year prior to the natural disaster. Enter this amount on line 1, this is the portion of your property tax upon which the credit is based.

Example: Your home in 2012 was 1,200 square feet and your property tax was $390. After your home was rebuilt or repaired it is now 2,500 square feet and your property tax is $1,000.

Step One: $\frac{\$1,000}{2,500}$ = $0.40 per square foot.

Step Two: $0.40 X 1,200 = $480.

Enter $480 on line 1 and $390 on line 2. Your credit is $90 (line 3).