

VT *Landlord's Certificate* **FORM LC-142**



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RENTER: To protect your social security number, enter the social security number BEFORE filing claim but AFTER landlord completes certificate. Attach certificate to Form PR-141. See Information for Renters on back of certificate.

Claimant's Last Name	First Name	Initial	Claimant's Social Security Number
			- -

LANDLORD: If you have more than 4 residential rental units you must provide a completed certificate to each of your tenants by Jan. 31. If 4 or less residential rental units, a certificate is required only upon tenant request. See back of certificate for penalty information for improper statement of rent or failure to furnish a certificate.

Section A: Renter Information

Name of renter(s) _____ Name of owner or landlord _____
 Address _____
 Location of rental unit _____
number, street/road name
 City/Town _____ Landlord's daytime phone number _____

A. Check the type of unit rented: Apartment House Lot for mobile home Mobile home Boarding home Nursing home/community care

B. Indicate which, if any, items were included in the rent: Heat Electricity Furnishings Personal Care Other Services

C. Town or city to which property tax on rental unit is paid: _____

D. Enter the number of rental units in this building _____

Section B: Allocable Rent Method

1. Number of months rented	1a.	during calendar year	1b.	
2. Monthly rental amount paid			2.	. 00
3. Total Rent Paid for calendar year listed on Line 1b (Multiply Line 1a by Line 2)			3.	. 00
4. Less items checked in (b) above that were included in rent (heat, electricity, etc.)			4.	. 00
5. Adjusted rent paid for calendar year listed on Line 1b (Line 3 minus Line 4)			5.	. 00
6. For government subsidized rent, enter percent tenant pays. For nonsubsidized rent, enter 100.00%			6.	%
7. Rent Paid during calendar year solely for the right of occupancy (Multiply Line 5 by Line 6)			7.	. 00
8. Rental Adjustment			8.	21.00 %
9. Allocable Rent (Multiply Line 7 by Line 8) Enter here and on Form PR-141, Line 3 if Section C of this certificate is not completed.			9.	. 00

FOR MOBILE HOME PARK LOT RENT, GO TO FORM HS-139. DO NOT FILE FORM PR-141 FOR LOT RENT.

Section C: Allocable Property Tax Method
 Landlords: Complete this section ONLY if requested by renter(s)

Check the property tax allocation method you used for this rental. You must use the same method for every unit within the rental building.

a. Number of rooms available	b. Percentage of square footage	c. Percentage of rent charged	d. Separate appraisal	
10. Calendar year property tax for unit occupied by above tenant			10.	. 00
11. For government subsidized rent, enter percent tenant pays. For nonsubsidized rent, enter 100.00%			11.	%
12. Property tax allocated to rental unit for calendar year (Multiply Line 10 by Line 11)			12.	. 00
13. Monthly property tax: (Divide Line 12 by 12 months)			13.	. 00
14. Allocable property tax: (Multiply Line 13 by Line 1a)			14.	. 00
15. Enter the LESSER of Line 7 or Line 14			15.	. 00
16. Rent Constituting Property Taxes: Enter the GREATER of Line 9 or Line 15 here and on Form PR-141, Line 3			16.	. 00

FOR MOBILE HOME PARK LOT RENT, GO TO FORM HS-139. DO NOT FILE FORM PR-141 FOR LOT RENT.

Instructions for Form LC-142 Landlord's Certificate

A completed Landlord's Certificate must accompany the Renter Rebate Claim to verify the number of months rented, the rent paid and/or property tax allocable to the rental unit.

Issuing The Certificate

- On or before January 31st, if you have more than 4 residential rental units.
- Upon request of tenant, if you have 4 or less residential rental units.
- Tenant moves before end of calendar year, give a completed Landlord's Certificate at the time the tenant leaves or mail a completed Landlord's Certificate to the tenant at the new address or last known address.
- Complete one certificate for each residential rental unit. If two or more individuals share the same unit for the same period of time, issue only one certificate showing all the tenants' names.

Failure to Issue The Certificate

You may be subject to a penalty for failure to provide a certificate or to provide accurate information. The minimum penalty is \$100 per certificate.

RENTER Complete This Part

Enter your name and social security number after the landlord completes the certificate.

LANDLORD Complete These Sections

Section A Renter Information

- Enter the name(s) of the renter(s) and the address of the rental unit. Issue only one certificate if there is more than one renter in the unit.
- Enter your name, address, and telephone number.

Check the type of rental unit.

Check the items included in the rent. "Other Services" include trash and snow removal. It does not include services necessary for occupancy such as water or sewerage costs. If any items are included in rent, please enter the dollar value on Line 4. The amount of total rent paid will be reduced by a default percentage unless an amount is on Line 4.

- Enter the town or city to which you pay school property tax for the rental unit. If the town name has both a city and town, please specify. Example: Barre City Barre Town
- Enter the number of rental units in the building. For mobile home parks, enter the number of lots.

NOTE: Non-profit mobile home parks do not issue Landlord's Certificate for lot rent paid. The park provides a letter giving the amount of property tax assessed on the lot.

Section B Allocable Rent Method

Line 1a Enter the number of months the tenant rented this unit during the calendar year. A portion of a month is counted as a full month. Examples: (1) Jane moved into the unit on April 1 and stayed through the year. She rented for 9 months. Enter 9 on Line 1a. (2) Jill rented from June 1 to Sept. 15. Enter 4 months on Line 1a.

Line 1b Enter the year of rental. For the example in Line 1a, if the rental was 04/2002 to 12/2002, enter 2002 on Line 1b.

Line 2 Enter the full monthly rent amount paid by the tenant. You may need to average the monthly rental amount if the rent changed during the year. For subsidized rent, this is the amount prior to the subsidy.

☞ Do not include amounts paid as deposits.

☞ Do not include payments for a room in a nursing home for any month for which Medicaid payments have been made on behalf of the Claimant to the nursing home for room charges.

Line 4 Enter the dollar amount for items checked in Section A, Line B that are included in rent. If the costs are not separated by unit, add the annual cost for each item included in rents for the entire rental portion of the building. Then divide by the number of rental units to get the annual average cost per rental unit. If a tenant rents less than 12 months, divide the annual cost by 12 for a monthly rental unit cost and multiply the monthly cost by the number of months the tenant occupied the unit. Example: Heat, electricity and garbage removal for a five-apartment building is \$2,500. The annual per unit cost is \$500 (\$2,500 divided by 5). If the tenant rents for the entire calendar year, enter \$500. If the tenant rents for 9 months, multiply \$41.66 (\$500 divided by 12) by 9 and enter the rounded amount of \$375.

☞ If items are checked in Section A, Line B but no amount specified on Line 4, the total rent paid on Line 3 will be automatically reduced by 50%.

☞ Nursing Home and Community Care if specific charges are not given, the total rent paid on Line 3 is reduced by 75%.

Line 6 Enter 100% if rent is not subsidized.

For state or federal subsidized Section B housing, enter the percentage of rent paid by the tenant. If the subsidy changed during the year, you may use the average subsidy percentage.

Section C Allocable Property Tax Method

☞ Unless requested by the tenant, landlords do not have to complete Section C.

Check the box for the property tax allocation method you are using. You must use the same method for all units in the building.

a. **Number of Rooms Available** Divide the property tax by the number of rooms in the

building available for residential use; then multiply the number of rooms rented by the tenant by the per room property tax. If the tenant did not live in the unit for the full year multiply by the portion of the year rented. Example: There are 18 residential rooms and property tax is \$3,600. The tax per room is \$200. Tenant rents 4 rooms. Annual property tax allocable is \$800. Tenant lived here for 6 months. The certificate amount is \$800 ÷ 12 x 6; or \$400.

b. **Percentage of Square Footage** Determine the percentage of the building's square footage the rental unit occupies. Multiply this percentage by the total property tax, or then by the portion of the year the tenant rented. Example: Building has 3,312 square feet, 1,656 square feet are rental units. Annual property taxes are \$4,000. Fifty percent of total building is for rental units. One unit has 414 square feet or 25% of the rental unit square footage. Property tax allocable to the unit is \$4,000 x 50% x 25% or \$500.

c. **Percentage of Rent Charged** Determine the percent of rent charged for the tenant unit relative to the total rental value of the rental units in the building for a calendar year. Multiply the result by the annual property tax assessed. Multiply the result by the portion of the year the tenant rented and paid rent. Example: Mary rented six months and paid \$500 per month. The rental value of all the rental units in the building is \$3,000 per month and the annual property taxes are \$3,500. Mary's rent is 16.67% of the rental value. Total allocable property taxes are \$3,500 x 16.67% or \$583.45 ÷ 12 x 6 or \$291.73 or rounded to \$292.

d. **Separate Appraisal** If a separate appraisal of the rental unit has been done by the town, multiply the separate value of the rental unit by the town's property tax rate. If applicable, reduce for the portion of the year the tenant rented. Example: Liz's rental unit has a separate appraisal of \$25,000. The town tax rate is \$2.50 per hundred of value. Total full property tax allocable to Liz's unit is \$625 (\$25,000 ÷ 100 x \$2.50). Liz rented for 6 months so the certificate amount is \$312.50 or rounded to \$313 (\$625 ÷ 12 x 6).

Line 10 Enter the rental unit's allocable property tax as calculated by one of the methods above.

Line 11 Enter the percentage of rent paid by the tenant. See Section B, Line 6 for instructions.

Line 16 Rent Constituting Property Tax is the greater of 21% of rent paid or the property tax on the rental unit but not to exceed the amount on Line 7.

Signature: Sign the completed certificate and give or mail to the tenant. Remember to keep a copy for your records.

Other Rental Situations

Nursing Homes, Community Care and Like Facilities and Boarding Houses: Property tax allocable to property tax is determined by dividing the entire annual property tax on the structure(s) and up to 2 acres (but excluding such facilities as swimming pools) by the number of bedrooms in the structure(s). If the claimant occupies a shared room, the result is divided by the number of persons sharing the room.

Condominiums and Other Cluster Housing (whether detached or with common walls) To determine property tax allocable, the total acres commonly owned are divided by the number of housing units. Each housing unit may have up to 2 acres allocated to it.

Mobile Home Lot: The property tax allocable to the lot may be determined in the following ways:

- Divide annual tax on the total acreage of the entire mobile home park required to use as a mobile home park by the number of rental lots, but not more than 2 acres per lot; or
- Multiply the annual tax by the ratio of square footage of the lot to the total square footage of the park; or
- Multiply the annual tax by the ratio of rent paid for the lot to the rent chargeable on all the lots.

☞ See Instructions for Form HS-139, Line 8 for rentals from Non-Profit Mobile Home Parks.

Assistance in Completing the Certificate

Phone: toll-free (866) 828-2865 (in VT) or (802) 828-2865 (local or out-of-state)

Fax: (802) 828-2720

E-Mail: vttaxdept@tax.state.vt.us

Information For Renters About the Rebate Program

You may be entitled to a rebate of rent paid if: 1) you rented an apartment or house in VT for all twelve months of the calendar year; 2) your rental unit is your principal residence; 3) you are a full-year VT resident; and 4) your household income is \$47,000 or less.

☞ Tenants who want Section C of the certificate completed must send a written request to their landlord. The allocation method used by the landlord may affect the property tax allocable to the rental unit.

Landlord's Certificates are in the VT income tax booklet. You can also obtain the certificate by calling (802) 828-2515 to order Landlord's Certificates.

If you are unable to get a certificate from your landlord, see page 32. Call toll-free (866) 828-2865 (in VT) or (802) 828-2865 (local or out-of-state) for more information on the Renter Rebate Program.

☞ A renter may claim a renter rebate even if not required to file an income tax return.