

## What's the difference?

### Property Exemptions vs. Credits

Exemptions	Credits
<b>What is it?</b>  An exemption is a reduction of the valuation of the property <i>before</i> the tax is calculated.	<b>What is it?</b>  A credit is a reduction of the tax due <i>after</i> valuation.
<b>Examples:</b>  Exemption for the Blind Exemption for the Elderly Religious Exemption Exemption for Solar Power  If your home is assessed at \$250,000 and you receive a \$15,000 property tax exemption then your home will be assessed at \$235,000.	<b>Examples:</b>  Standard and Optional Veterans' Credit  \$250.00 will be credited to your first tax bill and another \$250.00 will be credited the second bill. Totaling \$500.00 for the year.

### Three Categories for Exemptions & Credits:

- (1) **Personal**—those based on the claimant's qualifications such as veterans, the elderly and the blind.
- (2) **Tax exempt entities**—those based on a classification of property belonging to entities such as religious and charitable properties.
- (3) **Property qualification**—those based on property attributes that have been legislatively determined to have a public benefit, such as exemptions for wood heating, solar power and wind power.

### How do exemptions and credits affect other taxpayers?

The burden shifts to other taxpayers to make up the dollars lost by Exemptions & Credits