



**CHAPTER 6F  
RENTERS' CREDIT**

- Rented and occupied California premises constituting his or her principal place of residence for at least 50% of the taxable year. Persons residing in mobilehomes qualify if the land on which their mobilehome sits is rented.

Any otherwise qualified renter who is a nonresident for a portion of the taxable year is allowed 1/12 of the renters' credit for each full month that the individual resides in the state during the taxable year.

A "qualified renter" does not include individuals:

- Who for more than 50% of the taxable year rented and occupied premises that were exempt from property taxes;
- Whose principal place of residence for more than 50% of the taxable year was with any other person who claimed that individual as a dependent for income tax purposes; or
- Who has been allowed or whose spouse has been allowed the homeowners' property tax exemption during the taxable year.

The Revenue and Taxation Code defines a resident as:

- Every individual who is in this state for other than a temporary or transitory purpose; and
- Every individual domiciled in this state who is outside the state for a temporary or transitory purpose.

### **3. APPLICATION PROCEDURE**

All California personal income tax booklets include a Nonrefundable Renter's Credit Qualification record. By answering the questions on the qualification record, taxpayers can determine if they qualify to claim the nonrefundable renter's credit.

A separate application is not required. Those who qualify may claim the credit on their tax returns.

### **4. COST**

The state cost of the renters' credit was \$93 million in fiscal year (FY) 2003-04, and is estimated to be \$94 million in FY 2004-05.

### **5. CODE**

Revenue and Taxation Code Section 17053.5