

Senate Committee on Veteran Affairs and Military Installations

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100% Disabled Veterans' Property Tax Exemption Q&A

Q. I already have a homestead exemption. Do I need to apply for the new exemption?

Yes. The new exemption is not given automatically.

Q. I just qualified for the disabled veterans' exemption. Why do I need to send you my documentation for the new exemption?

Qualifications for the new homestead exemption differ from those for the older exemption. In particular, you must show that you actually receive 100% disability compensation for a service-connected disability.

Q. When is the new homestead exemption effective?

It is retroactive to January 1, 2009. If you owned your home and qualified on that date, you'll receive the exemption for 2009.

Q. I bought my home after January 1, 2009. Will I get the exemption for part of 2009?

No. The exemption will take effect for the 2010 year if you didn't own your home on January 1, 2009.

Q. My disability rating is actually 50%, but because I am over 65, I receive the maximum disability exemption. Do I qualify for the new homestead exemption?

No. You must be 100% disabled or have a rating of individual unemployability to qualify for the new exemption. You must also be receiving 100% disability compensation from the VA.

Q. If something happens to me, will the new exemption pass to my spouse or children?

No. Only the disabled veteran can claim the exemption.

Q. I owe delinquent taxes on my home for years before 2009. Will the new exemption affect those?

No. The exemption will apply for 2009 forward. It does not affect prior years.

Q. I am in a hospital or nursing home. Can I still get the new exemption?

Yes, as long as you intend to return to the home if you are able.

Q. My spouse and I own our home together. How is the exemption calculated?

If the home is community property, it is calculated as if you owned 100% of the home. If the home is not community property, the exemption is prorated in proportion to the value of your interest.

Q. I have a mortgage on the home. Can I still get the exemption?

Yes.

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Q. I don't currently have a homestead exemption. Do I need to apply for the regular homestead exemption in addition to this one?

You should also apply for the regular homestead exemption. That will ensure that you receive the maximum benefits of the regular exemption should your qualification for the new exemption change.

Q. I have recently turned 65. Should I apply for the over-65 homestead exemption in addition to the new exemption?

Yes, for the same reasons given above.

Q. How much of my home's value will the new exemption exempt?

Your home will be totally exempt from property taxes.

Q. I meet all of the qualifications for the new exemption. I currently apply the \$12,000 regular disabled veterans' exemption to my home. When I get the new disability homestead exemption, what happens to the other exemption?

The new exemption will exempt all of the value of your home. Consequently, the \$12,000 disabled veterans' exemption will have no effect. If you own other taxable property (such as a vacation home or business), you should file a new application with the appraisal district and designate the exemption as applying to the other property.

Q. Will I have to reapply every year for the new disability homestead exemption?

No. Once your exemption is granted, you will not have to reapply unless the chief appraiser requires you to do so in writing.

Q. I already have a disability homestead exemption on my home. What is the difference between that one and this one?

The existing disability homestead exemption has different requirements and benefits. For that exemption, you must meet the Social Security Administration's definition of disabled, which is not necessarily the same as that used by the VA or your branch of the military. The benefits are also different. Only school districts are required to provide a disability homestead exemption, though many other taxing entities do. The new exemption will apply to all taxing units and will exempt the total value of your home.

Q. Can I apply the new exemption to my main home and get the general homestead exemption on my vacation home?

No. Both exemptions apply only to the home that is your principal residence. You can, however, apply the older disabled veterans' exemption to your vacation home.

Q. How do I get documentation of my status from the VA?

You can contact the VA at 1-800-827-1000. Their website is at www.va.gov.