

Disabled Veterans Exemption

Section 211.7b: Real Property used and owned as a homestead by a disabled veteran who was discharged from the armed forces of the United States under honorable conditions is exempt from the collection of taxes under this act. In order to receive an exemption, the veteran must file an Affidavit, Form 5107 with their local municipality or with the Assessor Officer.

Below are the eligible requirements that the applicant must meet:

- The disabled veteran has been determined by the United States Department of Veterans Affairs to be permanently and totally disabled as a result of military service and entitled to veterans' benefits at the 100% rate (must attach a copy of the letter from the U.S. Department of Veterans Affairs).
- The disabled veteran is receiving or has received financial assistance due to disability for specially adapted housing (must attach a copy of the certificate from the U.S. Department of Veterans Affairs).
- The veteran has been rated by the United States Department of Veterans Affairs as individually unemployable (must attach a copy of the letter from the U.S. Department of Veterans Affairs).

If a disabled veteran who is otherwise eligible for the exemption under this section dies, either before or after the exemption is granted, the exemption shall remain available to or shall continue for his or her unremarried surviving spouse. The surviving spouse shall comply with the requirements listed above and shall indicate on the affidavit that he or she is the surviving spouse of a disabled veteran entitled to the exemption. The exemption shall continue if the surviving spouse remains unremarried.

EXAMPLES

The following scenarios may reflect your situation. A 1.033 multiplier (3.3% increase) has been used in the following examples.

You Purchased a New Home

Example A

Last year, you purchased a new home valued at \$200,000 (true cash value) with Assessed Value and State Equalized Value both at \$100,000, and a Taxable Value of \$80,000.

Sales in the neighborhood show the true cash value of the property has increased to \$210,000 for the current year.

Current Year:
 Assessed Value is (1/2 of \$210,000)\$105,000
 SEV (tentative).....\$105,000

Value is uncapped the year following an ownership transfer (sale) of a property, the Taxable Value will be the same as the State Equalized Value.

Taxable Value.....\$105,000

You Added a Family Room to Your Home

Example B

Last year, your home valued at \$200,000 had a \$100,000 SEV, and a Taxable Value of \$80,000. You added a family room addition valued at \$40,000 (true cash value).

Sales in the neighborhood show the true cash value of your property (with the addition) has increased to \$240,000.

Current Year:
 Assessed Value (1/2 of 240,000).....\$120,000
 SEV (tentative).....\$120,000
 Capped Value
 [(\$80,000 x 1.033) + 50% of 40,000].....\$102,640
 Taxable Value, the lesser of SEV or CV.....\$102,640

You Made No Changes to Your Property

Increased SEV/TV Increase

Example C-1

Last year, your home was valued at \$200,000 (true cash value) had a \$100,000 State Equalized Value, and a Taxable Value of \$80,000.

Sales in the neighborhood show the true cash value of your property has increased to \$220,000 for the current year.

Current Year:
 Assessed Value (1/2 of \$220,000).....\$110,000
 SEV (tentative).....\$110,000
 Capped Value (\$80,000 x 1.033).....\$82,640
 Taxable Value, the lesser of SEV or CV.....\$82,640

Increased SEV/TV Increase

Example C-2

Last year, your home valued at \$200,000 (true cash value) had a \$100,000 State Equalized Value, and a Taxable Value of \$100,000.

Sales in the neighborhood show the true cash value of your property has increased to \$200,100 for the current year.

Current Year:
 Assessed Value (1/2 of \$200,100).....\$100,050
 SEV (tentative)\$100,050
 Capped Value (\$100,000 x 1.033).....\$103,300
 Taxable Value, the lesser of SEV or CV.....\$100,050

Decreased SEV/TV Increase

Example C-3

Last year, your home valued at \$200,000 (true cash value), had a \$100,000 State Equalized Value, and a Taxable Value of \$80,000.

Sales in the neighborhood show the true cash value of your property has decreased to \$180,000 for the current year.

Current Year:
 Assessed Value (1/2 of \$180,000)..... \$90,000
 SEV (tentative).....\$90,000
 Capped value is (\$80,000 x 1.033).....\$82,640
 Taxable Value, the lesser of SEV or CV..... \$82,640

2022

GUIDE TO PROPERTY TAXES & PROPOSAL A



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