

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-3219.5 of the Code of Virginia, relating to real property tax*
3 *exemption; disabled veterans.*

4 [S 430]
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 58.1-3219.5 of the Code of Virginia is amended and reenacted as follows:**

8 **§ 58.1-3219.5. Exemption from taxes on property for disabled veterans.**

9 A. Pursuant to subdivision (a) of Section 6-A of Article X of the Constitution of Virginia, and for
10 tax years beginning on or after January 1, 2011, the General Assembly hereby exempts from taxation
11 the real property, including the joint real property of husband and wife, of any veteran who has been
12 rated by the U.S. Department of Veterans Affairs or its successor agency pursuant to federal law to have
13 a 100 percent service-connected, permanent, and total disability, and who occupies the real property as
14 his principal place of residence. If the veteran's disability rating occurs after January 1, 2011, and he has
15 a qualified primary residence on the date of the rating, then the exemption for him under this section
16 begins on the date of such rating. However, no county, city, or town shall be liable for any interest on
17 any refund due to the veteran for taxes paid prior to the veteran's filing of the affidavit or written
18 statement required by § 58.1-3219.6. If the qualified veteran acquires the property after January 1, 2011,
19 then the exemption shall begin on the date of acquisition, and the previous owner may be entitled to a
20 refund for a pro rata portion of real property taxes paid pursuant to § 58.1-3360.

21 B. The surviving spouse of a veteran eligible for the exemption set forth in this article shall also
22 qualify for the exemption, so long as the death of the veteran occurs on or after January 1, 2011, the
23 surviving spouse does not remarry, and the surviving spouse continues to occupy the real property as his
24 principal place of residence.

25 C. A county, city, or town shall provide for the exemption from real property taxes the qualifying
26 dwelling pursuant to this section and shall provide for the exemption from real property taxes the land,
27 not exceeding one acre, upon which it is situated. However, if a county, city, or town provides for an
28 exemption from or deferral of real property taxes of more than one acre of land pursuant to Article 2
29 (§ 58.1-3210 et seq.), then the county, city, or town shall also provide an exemption for the same
30 number of acres pursuant to this section. If the veteran owns a house that is his residence, including a
31 manufactured home as defined in § 46.2-100 whether or not the wheels and other equipment previously
32 used for mobility have been removed, such house or manufactured home shall be exempt even if the
33 veteran does not own the land on which the house or manufactured home is located. If such land is not
34 owned by the veteran, then the land is not exempt. A real property improvement other than a dwelling,
35 including the land upon which such improvement is situated, made to such one acre or greater number
36 of acres exempt from taxation pursuant to this subsection shall also be exempt from taxation so long as
37 the principal use of the improvement is (i) to house or cover motor vehicles or household goods and
38 personal effects as classified in subdivision A 14 of § 58.1-3503 and as listed in § 58.1-3504 and (ii) for
39 other than a business purpose.

40 D. For purposes of this exemption, real property of any veteran includes real property (i) held by a
41 veteran alone or in conjunction with the veteran's spouse as tenant or tenants for life or joint lives, (ii)
42 held in a revocable inter vivos trust over which the veteran or the veteran and his spouse hold the power
43 of revocation, or (iii) held in an irrevocable trust under which a veteran alone or in conjunction with his
44 spouse possesses a life estate or an estate for joint lives or enjoys a continuing right of use or support.
45 The term does not include any interest held under a leasehold or term of years.

46 The exemption for a surviving spouse under subsection B includes real property (a) held by the
47 veteran's spouse as tenant for life, (b) held in a revocable inter vivos trust over which the surviving
48 spouse holds the power of revocation, or (c) held in an irrevocable trust under which the surviving
49 spouse possesses a life estate or enjoys a continuing right of use or support. The exemption does not
50 apply to any interest held under a leasehold or term of years.

51 E. 1. In the event that (i) a person is entitled to an exemption under this section by virtue of holding
52 the property in any of the three ways set forth in subsection D and (ii) one or more other persons have
53 an ownership interest in the property that permits them to occupy the property, then the tax exemption
54 for the property that otherwise would have been provided shall be prorated by multiplying the amount of
55 the exemption by a fraction that has as a numerator the number of people who are qualified for the
56 exemption pursuant to this section and has as a denominator the total number of all people having an

57 ownership interest that permits them to occupy the property.

58 2. In the event that the primary residence is jointly owned by two or more individuals, not all of
59 whom qualify for the exemption pursuant to subsection A or B, and no person is entitled to the
60 exemption under this section by virtue of holding the property in any of the three ways set forth in
61 subsection D, then the exemption shall be prorated by multiplying the amount of the exemption ~~or~~
62 ~~deferral~~ by a fraction that has as a numerator the percentage of ownership interest in the dwelling held
63 by all such joint owners who qualify for the exemption pursuant to subsections A and B, and as a
64 denominator, 100 percent.