

DEPARTMENT OF TAXATION

2018 Fiscal Impact Statement

1. **Patron** Jennifer T. Wexton

3. **Committee** House Finance

4. **Title** Real Property Tax Exemptions; Disabled Veterans

2. **Bill Number** SB 430

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would remove a reference to a “deferral” in a provision relating to the real property tax exemption for principal residences of certain disabled veterans in which no deferral is relevant.

Current law provides for an exemption from taxation for the real property of certain disabled veterans and their surviving spouse. There is no provision for a deferral of taxes.

The effective date of this bill is not specified.

6. Budget amendment necessary: No

7. No Fiscal Impact: (See Line 8.)

8. Fiscal implications:

This bill would have no impact on local or state revenues.

9. Specific agency or political subdivisions affected: All localities

10. Technical amendment necessary: No

11. Other comments:

Background

Legislation passed in 2011 provided the necessary statutory authorization to exempt from taxation, for tax years beginning on or after January 1, 2011, real property that is the principal residence of a veteran (or widow or widower of a veteran) if the veteran has been determined by the United States Department of Veterans Affairs or its successor agency pursuant to federal law to have a 100 percent service-connected, permanent, and total disability.

The surviving spouse of a veteran is eligible for the exemption, so long as the death of the veteran occurs on or after January 1, 2011, the surviving spouse does not remarry, and the surviving spouse continues to occupy the real property as his principal place of residence.

Current law provides for an exemption from taxation for the real property of certain disabled veterans and their surviving spouse. There is no provision for a deferral of taxes.

Proposal

This bill would remove an extraneous reference to “deferral” in a provision relating to the real property tax exemption for principal residences of certain disabled veterans.

The effective date of this bill is not specified.

cc : Secretary of Finance

Date: 2/13/2018 SK
DLAS File Name: SB430F161