

Disabled Veterans' Homestead Property Tax Exclusion

11

Also for Primary Family Caregivers and Surviving Spouses

Property Tax Fact Sheet 11

Fact Sheet

This program provides a property tax exclusion for the homestead of:

1. an honorably discharged veteran who has a service-connected disability rating of 70 percent or higher
2. surviving spouses of certain qualifying veterans and service members
3. primary family caregivers of qualifying veterans

What is the market value exclusion?

The exclusion reduces the market value of the home that is subject to property taxes. The program provides two exclusion levels:

Up to \$300,000 of market value is excluded from property taxes for:

- veterans with **permanent and total** (100%) service-connected disability (including permanent Individual Unemployability)
- surviving spouses of veterans who received this exclusion based on permanent and total disability prior to passing away
- surviving spouses of service members who die while in active service
- qualifying Primary Family Caregivers of permanently and totally disabled veterans

Up to \$150,000 of market value applies is excluded from property taxes for:

- veterans with 70% or greater service-connected disability
- qualifying Primary Family Caregivers of veterans with 70% or greater service connected disability.

How do veterans qualify?

To receive the exclusion, you must:

- be honorably discharged from the United States armed forces
- have a service-connected disability of 70% or more
- own and occupy a property that is classified as homestead.

How do surviving spouses qualify?

Surviving spouses of **permanently and totally disabled** veterans who received this exclusion prior to passing away are eligible to continue exclusion in the year of the veteran's death, plus eight additional taxes payable years.

A spouse of a member of the U.S. Armed Forces who died due to a service-connected cause while serving honorably in active service may qualify for an exclusion up to \$300,000 for up to eight taxes payable years.

In both instances, surviving spouses would no longer qualify for the exclusion if they remarry, sell, transfer, or otherwise dispose of the property.

How do Primary Family Caregivers qualify?

Primary Family Caregivers must meet the following requirements:

- be a Primary Family Caregiver approved by the U.S. Department of Veterans Affairs under the Program of Comprehensive Assistance for Family Caregivers (U.S. Code, title 38, section 1720G)
- be a Primary Family Caregiver for an honorably-discharged veteran with a service-connected disability of 70% or more
- own a homestead property

The veteran that the Primary Family Caregiver cares for cannot also own homestead property in Minnesota.

How do I apply?

Applications are available in your County Assessor’s office.

You must **apply by July 1** to qualify for the exclusion on the current year’s market value for taxes payable next year (except for manufactured homes assessed as personal property, which are taxed in the same year they are assessed).

For example, you must apply by July 1, 2016 in order to qualify for value exclusion for the 2016 assessment, affecting your taxes payable in 2017.

Applications are due annually, except for veterans with a total (100 percent) and permanent disability.

Any application received after July 1 of the assessment year will not be considered until the following assessment year.

Surviving spouses of service members who die in active duty may apply for initial exclusion within two years of the death of the service member.

.....
What information do I need to supply?

Individual applying:	What information needs to be supplied:
Qualifying veterans	<ul style="list-style-type: none"> • U.S. Government Form DD214 or other official military discharge papers • documentation from the United States Department of Veterans Affairs (VA) verifying disability status <p>The VA may also provide a letter that encompasses all required information (both discharge and disability).</p>
Surviving spouses of veterans who had total (100 percent) and permanent disability	<ul style="list-style-type: none"> • documentation describing their benefits as surviving spouses of permanently and totally disabled veterans, or • verification from the assessor that the property had previously qualified for exclusion under the veteran’s qualifications
Surviving spouses of service members who die while serving honorably in active service	<ul style="list-style-type: none"> • U.S. Government Form DD1300 or DD2064. • verification of Dependent Indemnity Compensation or other benefits letters issued by the VA if requested by the assessor
Primary Family Caregivers	<ul style="list-style-type: none"> • certification that they qualify for benefits described under the Program of Comprehensive Assistance for Family Caregivers as part of the annual application • information necessary to verify the discharge and disability status of the qualifying veteran

.....
Does this apply to farms?

In the case of agricultural homesteads, only the value of the house, garage, and immediately surrounding one acre of land will qualify for the exclusion.

Can I get the regular homestead exclusion with this exclusion?

No; if a property qualifies for this market value exclusion, the property does not receive the regular residential homestead market value exclusion.

What if I have questions?

If you have questions or need more information about the exclusion for properties of qualifying disabled veterans, surviving spouses, and primary family caregivers, contact your county assessor’s office.

For questions related to your disability and the forms that are required with the application, speak with your County Veteran’s Service Officer.