

**STAFF MEASURE SUMMARY****Senate Committee On Finance and Revenue****Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Action Date:** 06/04/15**Action:** Do Pass With Amendments And Requesting Referral To Ways And Means.  
(Printed B-Engrossed.)**Meeting Dates:** 05/05, 06/04**Vote:**

Yeas: 5 - Baertschiger Jr, Boquist, Edwards, Hass, Riley

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**WHAT THE MEASURE DOES:**

Expands homestead property tax exemption for veterans with service-connected disabilities of 100 percent or more.

Exemption amount to be equal to \$60,000 of the assessed value of veteran's homestead or personal property.

Allows surviving spouse of a qualifying veteran to receive exemption so long as surviving spouse remains unmarried. Applies to property tax years beginning on or after July 1, 2015.

**ISSUES DISCUSSED:**

- Stability of owner occupied housing for veterans
- Income benefits paid to disabled veterans from Federal government.

**EFFECT OF COMMITTEE AMENDMENT:**

Modifies definition of surviving spouse of a veteran. Modifies exemption qualification criteria to include veterans with service connected disabilities of 100 percent or more.

**BACKGROUND:**

Existing law provides a partial property tax exemption for veterans or their surviving spouses that remain unmarried. Two exemption amounts are available. For tax year 2015-16, an assessed value exemption of \$19,571 is available for qualifying veterans with disabilities of 40% or more with gross income less than or equal to 185% of the annual Federal Poverty Level Guidelines. For qualifying veterans with service-connected disabilities of 40% or more, an assessed value exemption of \$23,486 is available. Both exemptions are available to unmarried surviving spouses of qualifying veterans. Assessed value exemption amounts increase by 3% each tax year. The deadline to file initial claims for the exemption is April 1 preceding the first tax year exemption is requested.

Beginning with tax year 2015-16, the measure would provide an assessed value exemption equal to \$60,000 for qualifying veterans and their unmarried surviving spouses if the veteran has service-connected disabilities of 100%. The \$60,000 assessed value exemption amount will increase by 3% each tax year.