

PROPERTY TAX EXEMPTION FOR DISABLED VETERANS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Craig A. Peterson

AN ACT RELATING TO THE PROPERTY TAX ACT; REPEALING THE MAXIMUM INCOME LIMIT FOR ELIGIBILITY FOR PURPOSES OF THE DISABLED VETERANS' PROPERTY TAX EXEMPTION; MODIFYING THE DISABLED VETERANS' PROPERTY TAX EXEMPTION TO APPLY ONLY TO A RESIDENCE; INCREASING THE AMOUNT OF TAXABLE VALUE THAT IS EXEMPT UNDER THE DISABLED VETERANS' PROPERTY TAX EXEMPTION; MODIFYING THE PROVISION DISALLOWING AN EXEMPTION FOR VETERANS THAT ARE LESS THAN 10% DISABLED; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

59-2-1104, as repealed and reenacted by Chapter 3, Laws of Utah 1988

59-2-1105, as last amended by Chapters 87 and 256, Laws of Utah 1996

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **59-2-1104** is amended to read:

59-2-1104. Exemption of property owned by disabled veterans or their unremarried surviving spouses and minor orphans -- Amount of exemption.

(1) As used in this section "residence" is as defined in Section 59-2-1202, except that the term "residence" does not include a rented dwelling.

(2) The first [\$30,000] \$82,500 of taxable value of [the real and tangible personal property located] a residence in this state [which is owned by any of the following persons] is exempt from taxation, subject to the conditions and limitations of Section 59-2-1105, if the residence is owned by:

[(1) disabled persons] (a) a person:

(i) who served in the military service of the United States or of this state in any armed conflict prior to January 1, 1921; and

(ii) is disabled;

~~[(2) persons]~~ (b) a person who [are] is disabled [as a result of serving in the military service] in the line of duty during any war, international conflict, or military training in the military service of the United States or of this state [subsequent to 1920; and] on or after January 1, 1921; or

~~[(3)]~~ (c) the unmarried surviving spouse and minor orphans of any person described in Subsection (1) or (2), or of a person who [died as a result of service in the military service of the United States or of this state], during any war, international conflict, or military training in the military service of the United States or of this state, were killed in action or died in the line of duty as a result of the military service.

Section 2. Section **59-2-1105** is amended to read:

59-2-1105. Application for disabled veteran's exemption -- Proof requirements and limitations.

(1) (a) The exemptions authorized by Section 59-2-1104 may be allowed only if the interest of the claimant is on record on January 1 of the year the exemption is claimed.

(b) If the claimant has an interest in real property under a contract, the exemption may be allowed if it is proved to the satisfaction of the county legislative body that the claimant is the purchaser under the contract and is obligated to pay the taxes on the property beginning January 1 of that year.

(2) (a) On or before September 1 each year, any person applying for a veteran's exemption shall file an application with the county legislative body of the county in which that person resides.

(b) A copy of the veteran's certificate of discharge from the military service of the United States or of this state, or other satisfactory evidence of eligible military service, shall accompany the initial application for exemption.

(3) If the application is made by a veteran who served in the military of the United States or of this state prior to January 1, 1921, or by the unmarried surviving spouse or minor orphan of that veteran, a certificate from the Department of Veterans Affairs or from any other source required by the county legislative body showing the percentage of disability of the veteran shall accompany the application.

(4) Any application made by a veteran who served in the military service of the United States or of this state on or after [the year 1920] January 1, 1921 or by the unremarried surviving spouse or minor orphan of that veteran, shall be accompanied by~~[(a)]~~ a certificate from the Department of Veterans Affairs, or from any other source required by the county legislative body, showing the percentage of disability incurred or aggravated ~~[as the result of]~~ in the line of duty during any war, international conflict, or military training in the military service~~[- and]~~ of the United States or of this state.

~~[(b) an affidavit by or on behalf of the person claiming the exemption that the veteran, an unremarried surviving spouse, or unremarried surviving spouse and minor children together, or the orphaned minor children, had a federal adjusted gross income, as defined by Section 62, Internal Revenue Code, minus income included in federal adjusted gross income from a disability compensation granted because the veteran served in the armed forces of the United States or of the state, of less than \$30,000 for the previous year.]~~

(5) (a) If the veteran is 100% disabled, the full ~~[\$30,000]~~ \$82,500 exemption is allowed as provided in Section 59-2-1104.

(b) If the certificate under this section shows a lesser percentage of disability, the exemption allowed as provided in Section 59-2-1104 is that percentage of ~~[\$30,000,]~~ \$82,500, except that no exemption is allowed for any disability below ~~[25%]~~ 10%.

(6) The unremarried surviving spouse and minor orphans of a deceased veteran are entitled to the greater of:

(a) the full exemption if the veteran's disability was ~~[25%]~~ 10% or more and the veteran served prior to January 1, 1921; or

(b) the same exemption to which the disabled veteran would have been entitled, if the veteran served on or after [1920] January 1, 1921.

(7) The county legislative body may adopt rules to effectuate the exemptions from taxation under Section 59-2-1104.

Section 3. **Effective date.**

This act takes effect on January 1, 1999.

