

**PROPERTY TAX EXEMPTION FOR DISABLED VETERANS**

1999 GENERAL SESSION

STATE OF UTAH

**Sponsor: Jordan Tanner**

AN ACT RELATING TO THE PROPERTY TAX ACT; EXPANDING THE PROPERTY TAX EXEMPTION FOR CERTAIN REAL AND TANGIBLE PERSONAL PROPERTY OWNED BY A DISABLED VETERAN OR THE UNREMARRIED SURVIVING SPOUSE AND MINOR ORPHANS OF A DISABLED VETERAN OR A PERSON WHO WAS KILLED IN ACTION OR DIED IN THE LINE OF DUTY; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

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

AMENDS:

**59-2-1104**, as last amended by Chapter 340, Laws of Utah 1998

**59-2-1105**, as last amended by Chapter 340, Laws of Utah 1998

*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 is not considered to be a residence.

(2) [The] (a) Subject to Section 59-2-1105, including the reduction provided for in Subsection 59-2-1105(5)(b), the first \$82,500 of taxable value of [a residence in this state] the property described in Subsection (2)(b) is exempt from taxation[, subject to the conditions and limitations of Section 59-2-1105,] if the residence is owned by:

~~[(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;]~~

~~[(b)]~~ (i) a person who:

(A) is less than 100% disabled; and

(B) was disabled 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 [on or after January 1, 1921]; or

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

(b) Subsection (2)(a) applies to the following property:

(i) a residence;

(ii) tangible personal property; or

(iii) a combination of Subsections (2)(b)(i) and (ii).

(3) (a) Subject to Section 59-2-1105, the first \$82,500 of the total taxable value of property described in Subsection (3)(b) is exempt from taxation if the property is owned by:

(i) a person who:

(A) is 100% disabled; and

(B) was disabled 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; or

(ii) the unmarried surviving spouse and minor orphans of any person described in Subsection (3)(a)(i), or of a person who, during any war, international conflict, or military training in the military service of the United States or of this state, was killed in action or died in the line of duty as a result of the military service.

(b) Subsection (3)(a) applies to the following property:

(i) real property, including a residence;

(ii) tangible personal property; or

(iii) a combination of Subsections (3)(b)(i) and (ii).

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

**59-2-1105. Application for disabled veteran's exemption -- Proof requirements -- Limitations on exemption.**

(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 unremarried 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 January 1, 1921 or by the unremarried surviving spouse or minor orphan of that veteran, shall be accompanied by 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 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.

(5) (a) If the veteran is 100% disabled, the [full \$82,500] veteran's property tax exemption is [allowed] as provided in [Section] Subsection 59-2-1104(3).

(b) If the certificate under this section shows a lesser percentage of disability, the exemption allowed [as provided in Section] under Subsection 59-2-1104(2) is that percentage of \$82,500, except that no exemption is allowed for any disability below 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 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 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, 2000.