

Amend Revenue and Taxation Code Sections 205.5 and 279 of the Property Tax Law to ensure that an unmarried surviving spouse that is receiving the disabled veterans' exemption will continue to receive the exemption if he or she is confined to a hospital or care facility. (Technical)

Source: Property and Special Taxes Department

Existing Law

Current law ensures that a disabled veteran who enters a rest home will continue to receive the exemption on his or her home. Specifically, it provides that property is deemed to be the principal place of residence of a disabled veteran who is confined to a hospital or other care facility if that property would be that veteran's principal place of residence were it not for his or her confinement to a hospital or other care facility, provided that the residence is not rented or leased to a third party. A family member that resides at the residence is not considered to be a third party. Typically it is the disabled veteran's family that will continue to live at the property. These provisions were added in 2003 by AB 322 (Stats. 2003, Ch. 278).

This Proposal

This proposal would specify that the disabled veterans' exemption would also continue on the primary place of residence of an unmarried surviving spouse of a deceased veteran when he or she is confined to a hospital or care facility. The unmarried surviving spouse should receive the same benefit of the exemption as a disabled veteran claimant. Not specifically including them was an oversight in the 2003 legislation.

Section 205.5 (b) (2) of the Revenue and Taxation Code is amended to read:

(2) For purposes of this section, property is deemed to be the principal place of residence of a veteran, disabled as described in subdivision (a), or the unmarried surviving spouse of a deceased veteran, who is confined to a hospital or other care facility, if that property would be that veteran's or that unmarried surviving spouse's principal place of residence were it not for his or her confinement to a hospital or other care facility, provided that the residence is not rented or leased to a third party. A family member ~~that~~ who resides at the residence is not considered to be a third party.

Section 279(a)(2)(A) of the Revenue and Taxation Code is amended to read:

(A) If a veteran or the unmarried surviving spouse of a deceased veteran is, on the lien date, confined to a hospital or other care facility but principally resided at a dwelling immediately prior to that confinement, the veteran or the unmarried surviving spouse of a deceased veteran will be deemed to occupy that same dwelling as his or her principal place of residence on the lien date, provided that the dwelling has not been rented or leased as described in Section 205.5.