

DISABLED VETERANS' EXEMPTION AUTHORITATIVE CITATIONS

The following provides the authoritative citations for the disabled veterans' exemption portion of the Exemptions Survey Topic. In general, citations include Constitutional provisions, sections of the Revenue and Taxation Code, other applicable statutes, court cases, Property Tax Rules, *Assessors' Handbook Sections*, Letters To Assessors, and legal annotations pertaining to the topic.

CITATION	DESCRIPTION
California Constitution	
Article XIII, §3(o), (p), & (q)	<i>Disabled Veterans' and Veterans'</i> . Provides definition of veteran for purposes of these exemptions.
Article XIII, §4(a)	<i>Disabled Veterans</i> . Exemption available for qualified veterans or their unmarried surviving spouse to reduce their property tax liability on property that constitutes their principal place of residence.
Revenue and Taxation Code	
§75.21	Provides for application of the exemption on the supplemental assessment and the corresponding filing dates and penalties for late filing on a supplemental assessment.
205.5	Specifies what property is eligible; defines "veteran;" sets household income limit and provides for indexing of the amount starting in 2002; sets exemption limits and provides for inflation indexing of the amount starting in 2006. Beginning with the 2012-13 fiscal year and for each fiscal year thereafter, property is deemed to be the principal place of residence of the unmarried surviving spouse of a deceased veteran, who is confined to a hospital or other care facility, if that property would be the 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. For purposes of this paragraph, a family member who resides at the residence is not considered to be a third party.

CITATION	DESCRIPTION
205.6	The BOE is authorized to act as the statewide clearinghouse for disabled veterans' exemption claims to prevent multiple claims and improper overlapping with the homeowners' exemption from being granted to persons filing more than one claim anywhere in the state. However, it is at the county's discretion to supply information (social security number of claimant and spouse, if any, and property identification). However, it is optional for the county to submit information to the BOE.
§276	Late filing for the disabled veterans' exemption for low-income claimants who must annually file and for the current year of initial filing when claimants are filing current and prior years late: 90 percent between February 15 and December 10 of the same year, 85 percent thereafter.
276.1	Disabled veterans can receive the full exemption (no late filing penalties), effective as of their disability rating date if the claimant files a claim for the exemption 90 days after receiving the rating or on or before the next lien date, whichever is later . The exemption is prorated as of the qualifying date.
§276.2	If a claim for exemption is filed the later of 90 days or on or before the next lien date after the property became eligible, the full amount of the exemption will be retroactively applied to the taxable value, pro rated from the date of eligibility. Exemption applies to lien, supplemental, and/or escape assessments. Proration of exemption as of the qualifying date.
§276.3	The disabled veterans' exemption will cease when the property is sold or when the claimant ceases to occupy the home as his or her principal residence.
§277	To claim the disabled veterans' exemption, a person must submit a claim with all BOE-required information, including social security number(s), and also proof of disability. The claim form used should state "Not Subject to Public Inspection."
§278	The assessor must annually mail prior to lien date (pending legislative change) a change in eligibility notice to all persons who received the disabled veterans' exemption for the prior year and still own the property.
§279	An approved disabled veterans' exemption remains in effect until title to the property changes, the owner no longer occupies it as principal residence (excluding hospital or care facility confinement), the property ceases to be a dwelling, the veteran is no longer disabled, or the unmarried surviving spouse remarries (AB 946, 2011). The assessor shall provide for periodic audit of exemption claims.

CITATION	DESCRIPTION
§279.5	The taxpayer is responsible for notifying the assessor when the property is no longer eligible for the exemption. If the taxpayer's error leads to the exemption being incorrectly allowed, an escape assessment may result, along with penalty and interest.
408(a)	Disabled veterans' exemption claims are not public documents and are not open to public inspection (as of January 1, 2007).
§5097(a)(4)	Extends the statute of limitations period from four to eight years on property tax refunds related to the Disabled Veterans' Exemption that occur on or after January 1, 2015.
Letters To Assessors	
89/77	Clarifies that an unmarried surviving spouse who was receiving the exemption no longer qualifies for it once remarried; however if that spouse later becomes single again, the exemption may be restored. Also clarifies that, in the case of a veteran who was not totally disabled during his or her lifetime but later died from causes that were service-connected, the unmarried surviving spouse is eligible for the exemption.
93/52	Disabled veterans' exemption expanded to include the unmarried surviving spouse of a person who, as a result of a service-connected injury or disease, died while on active duty in the military service. Previously a person had to have been discharged from the service to be considered a veteran for property tax exemption purposes.
95/57	Proposition 160 and its enabling legislation, Chapter 140 (Assembly Bill 162, Stats. of 1994), extended the benefits of the disabled veterans' property tax exemption to the unmarried surviving spouse of a person who died while on active duty in the military service, provided the deceased served during a time of war or in a campaign or expedition for which a medal was issued by Congress. LTA includes a list of the current qualifying periods of service, excluding those prior to World War I, which is useful in administering the exemption.
2001/002	<p>Amendments to the disabled veterans' exemption effective September 29, 2000, include the following:</p> <ul style="list-style-type: none"> • The exemption amounts of \$100,000 and \$150,000 are made permanent (§205.5) • The definition of blindness is updated (§205.5) • The income threshold is raised, and automatic annual adjustments for the low-income exemption are instituted (§205.5)

CITATION	DESCRIPTION
	<ul style="list-style-type: none"> • Partial retroactive exemptions are permitted for any eligible person who did not file a timely claim (§276) • Full retroactive exemptions are permitted for veterans who had applications pending for a disability rating (§276.1) • Full exemption is permitted for property acquired after the lien date (§276.2) • Immediate termination of the exemption for property sold to an ineligible third party (§276.3)
2005/036	<p>Revenue and Taxation Code section 205.5 provides that the exemption amount and the household income limit for the disabled veterans' exemption shall be compounded annually by an inflation factor. Specifically, subdivisions (g) and (h) of section 205.5 provide that, for each assessment year, the inflation factor shall be the annual percentage change, measured from February to February of the two previous assessment years, rounded to the nearest one-thousandth of 1 percent, in the California Consumer Price Index (CCPI) for all items, as determined by the California Department of Industrial Relations.</p> <p>This LTA provides the 2006 disabled veterans exemption amounts and income limit for the low-income disabled veterans' exemption.</p>
2007/036	<p>Draft of Disabled Veterans Exemption chapter for proposed Assessors' Handbook. This is a draft only; however, it provides detailed information on the exemption and its administration at the county level.</p>
2008/082	<ul style="list-style-type: none"> • Allows the disabled veterans' exemption to remain in effect if a home is totally destroyed in a disaster for which the Governor proclaimed a state of emergency. • Allows exemption when dwelling is not occupied on the lien date because it was partially damaged in a misfortune or calamity (regardless of whether or not Governor issues a proclamation of a state of emergency) while home is being rebuilt • Exemption will remain in effect on above provided the person intends to return to the home.
2010/056	<p>Notification of amendment to R & T §276.1 which increases the time a claimant has to file a claim from 30 days to 90 days (or the next lien date, whichever is later) after the date of the DVA rating letter.</p> <p>Removes the precondition that the DV must have had a pending application with the USDVA.</p>

CITATION	DESCRIPTION
2010/057	Allows the destruction of original claims, including disabled veterans' exemption claims, after preservation in a medium that allows the documents to be later retrieved, as set forth in R & T §465.
2012/014	Summarizes two legislative bills effective January 1, 2012 which clarify non-substantive changes to sections 205.5, 276.2, 278 and 279.
2013/022	Allows availability of the disabled veterans' exemption to a person who has been awarded a mortgage-free home under a contract for deed with the Military Warriors Support Foundation.
2014/024	Provides a list of the more frequent recommendations for the Disabled Veteran's Exemption topic and offers guidance on the processing procedures related to these recommendations.
2015/020	Discusses the refund provisions of section 5097, which were amended by Senate Bill 1113. The bill extends the statute of limitations period from four years to eight years on property tax refunds related to the Disabled Veterans' Exemption that occur on or after January 1, 2015
2015/021	Provides the 2016 disabled veterans' exemption amounts and income limit for the low income disabled veterans' exemption. Also includes a table showing the amounts of income limits since 2001
Annotations	
350.0001 – 350.0050.	<i>Disabled Veterans'</i> . Correspondence regarding the disabled veterans' exemption.