



TEXAS PROPERTY TAX EXEMPTIONS FOR SERVICE-CONNECTED DISABLED VETERANS AND SURVIVING SPOUSES

(Tax Code Sections 11.22; 11.132; 11.131; 11.133; 11.134)

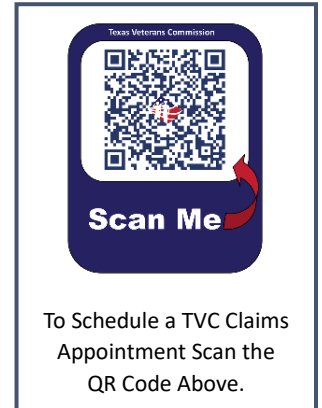


100% SERVICE-CONNECTED DISABLED VETERANS

In November 2007, Texas voters approved Proposition 9 amending the Texas Constitution to authorize the Legislature to exempt all or part of the residence homesteads of disabled veterans from ad valorem taxation and changing the amounts of the existing exemption from ad valorem taxation to which a disabled veteran was entitled.

HB 3613 makes the exemption effective for the 2009 tax year, which means that it is retroactive to January 1, 2009.

Section 11.131 of the Tax Code requires an exemption of the total appraised value of homesteads of Texas veterans.



VETERAN REQUIREMENTS FOR EXEMPTION:

- ✓ Served in the armed forces of the United States;
- ✓ Classified as disabled by the U.S. Department of Veterans Affairs (VA) as a result of a service-connected disability;
- ✓ Received 100-percent disability compensation from the VA; and
- ✓ Receive either a 100-percent disability rating or have been classified as unemployable by the VA.
- ✓ The veteran must own a home that is approved as his or her residence homestead. A residence homestead is a structure designed or adapted for human residence that is occupied as the principal residence by the property's owner.

SURVIVING SPOUSE OF A 100% SERVICE-CONNECTED DISABLED VETERAN

The voters of Texas, passed Proposition 2 in November 2015, expanding the legislation that entitles a surviving spouse of a 100% disabled Veteran, a total exemption of Homestead property taxes. Surviving Spouses of a Veteran who was rated as 100% Service-Connected Disabled or compensated at the 100% rate due to Individual Unemployability by the Department of VA at the time of their death, may qualify. The prior state law (Nov 2011) required the Veteran's death to have occurred on January 1st, 2010, or after. The expansion of this law includes those Veteran deaths that occurred in 2009 and before. This law also expands to Surviving Spouses of a member of the Armed Services killed in action (KIA). The new law will take effect January 1, 2016, and applies only to a tax year beginning on or after that date.

Requirements to qualify for the exemption are:

- The property was the surviving spouse's homestead when the Veteran died;
- The property remained the surviving spouse's homestead (there are provisions if the property was sold, and another property was purchased); and
- The surviving spouse had not remarried since the death of the disabled Veteran or member of the armed services;



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Veteran must have had a combined service connected disability rating and compensated at the 100% rate or compensated at the 100% rate due to Individual Unemployability for service connected disabilities by the Department of VA.

10% TO 100% SERVICE-CONNECTED DISABLED VETERANS & SURVIVING SPOUSES (NOT REMARRIED)

(Must apply after 1 January of the year you were granted disability OR
After the year you purchased the home)

Allows Veterans and Veterans and Surviving Spouses of Veterans, who are partially Service Connected Disabled to qualify for exceptions based on the percent of their disability rating. The exemption amounts for any property owned by qualifying disabled veterans, as defined in Property Tax Code Section 11.22, is as follows:

- ✓ a disability of 10 to 29 percent permits a \$5,000 exemption;
- ✓ a disability of 30 to 49 percent permits a \$7,500 exemption;
- ✓ a disability of 50 to 69 percent allows for a \$10,000 exemption; and
- ✓ a disability of 70 to 100 percent allows for a \$12,000 exemption (at age 65, granted maximum \$12,000 even if % is less than 70%)

(A 100% disabled veteran who qualifies for the \$12,000 exemption under Property Tax Code Section 11.22 may apply the \$12,000 exemption to another property he or she owns, other than his or her residence homestead.

Requirements for VA Letters – DO NOT SUBMIT VA RATING LETTERS

1. Letters should have a current date to apply.
2. Surviving Spouses will require a new letter to apply for the exemption.
3. For assistance in requesting a new VA letter, contact your local Veteran County Service Officer.
4. If you are not a current client (TVC/VCSO) you must first request an Authorization to Appoint a Veterans Service Organization (VA Form 21-22) so your disability rating can be verified through the VA computer system.